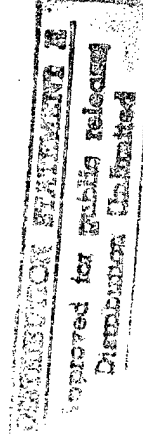


DEPARTMENT OF THE AIR FORCE

FY 1999 AMENDED BUDGET ESTIMATES
SUBMITTED TO CONGRESS FEBRUARY 1998

19980212 118



Military Personnel, Air Force

MILITARY PERSONNEL, AIR FORCE

TABLE OF CONTENTS

	Page No.
SECTION 1 - Summary of Requirements by Budget Program	1
SECTION 2 - Introductory Statement	3
SECTION 3 - Summary Tables	6
1. Summary of Military Personnel Strength	7
2. Military Personnel by End Strength by Grade	8
3. Military Average Strength by Grade	9
4. Military Personnel Active Duty Strengths by Month	10
5. Gains and Losses by Source and Type	11
6. Summary of Entitlements by Subactivity	14
7. Analysis of Appropriation Changes	18
8. Schedule of Increases and Decreases	22
SECTION 4 - Detail of Military Personnel Entitlements	26
1. Pay and Allowances of Officers	27
2. Pay and Allowances of Enlisted	64
3. Pay and Allowances of Cadets	100
4. Subsistence of Enlisted Personnel	103
5. Permanent Change of Station Travel	110
6. Other Military Personnel Costs	130
SECTION 5 - Special Analysis	142
1. Schedule of Military Assigned Outside DoD	143
2. Reimbursable Programs	145
3. Combating Terrorism	146

SECTION 1

SUMMARY OF REQUIREMENTS BY BUDGET PROGRAMS

SECTION 1
SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM
(In Thousands of Dollars)

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
<u>Direct Program</u>			
Pay and Allowances of Officers	5,780,724	5,848,286	5,874,946
Pay and Allowances of Enlisted	9,606,516	9,535,019	9,633,293
Pay and Allowances of Cadets	35,739	34,868	36,021
Subsistence of Enlisted Personnel	753,590	748,678	769,012
Permanent Change of Station Travel	807,572	872,160	890,658
Other Military Personnel Programs	62,005	63,109	107,753
TOTAL DIRECT PROGRAM	17,046,146	17,102,120	17,311,683
<u>Reimbursable Program</u>			
Pay and Allowances of Officers	113,747	97,502	86,752
Pay and Allowances of Enlisted	92,976	103,081	91,074
Subsistence of Enlisted Personnel	34,003	34,785	26,050
Permanent Change of Station Travel	2,624	1,370	1,288
TOTAL REIMBURSABLE PROGRAM	243,350	236,738	205,164
<u>Total Program</u>			
Pay and Allowances of Officers	5,894,471	5,945,788	5,961,698
Pay and Allowances of Enlisted	9,699,492	9,638,100	9,724,367
Pay and Allowances of Cadets	35,739	34,868	36,021
Subsistence of Enlisted Personnel	787,593	783,463	795,062
Permanent Change of Station Travel	810,196	873,530	891,946
Other Military Personnel Programs	62,005	63,109	107,753
TOTAL PROGRAM	17,289,496	17,338,858	17,516,847

The following legislative proposals are included in the above estimate and submitted for FY 1999 consideration.

	FY 1999
Hazardous Duty Incentive Pay for Firefighters (BA 2)	1,620
Aviation Career Incentive Pay for AF Battle Managers (BA 1)	1,600

SECTION 2

INTRODUCTORY STATEMENT

SECTION 2 INTRODUCTORY STATEMENT

The Military Personnel Appropriation, Air Force, provides financial resources to compensate the active military personnel required to support the approved force structure. The tables in Sections 1 through 5 contain budget data for Pay and Allowances of Officers, Enlisted and Cadets; Subsistence of Enlisted Personnel; Permanent Change of Station (PCS) Travel; and Other Military Personnel costs. Retired pay accrual is contained in Pay and Allowances of Officers and Enlisted personnel, as appropriate. Unemployment compensation, social security benefits to surviving family members excluded under previous eligibility rules, and miscellaneous entitlements are under Other Military Personnel Costs. The budget activity structure and detailed justification demonstrate how the military personnel program is managed and controlled. It displays the inventory of officers, enlisted personnel and cadets with the associated work years. This overview encompasses a wide range of programming actions that affect requirements dealing with grade structure, promotions, gains and losses, flight status, subsistence, PCS travel and other related resource allocation issues.

The appropriation covers entitlements approved by Congress in the FY 1998 National Defense Authorization Act (NDAA) and enacted into public law. The NDAA provided increases or new entitlements for: Hazardous Duty Incentive Pay (HDIP); Aviation Career Incentive Pay (ACIP); Aviation Officer Retention Bonus; Family Separation Allowance; dental officer special pays and bonuses; partial subsistence allowance; and the indexing of housing costs into one combined Basic Allowance for Housing (BAH) entitlement. Proposed legislation for FY 1999 includes HDIP for Firefighters and ACIP for Air Force Battle Managers. The DoD has also requested an increase for Do-it-Yourself (DITY) move reimbursements from 80 percent to 95 percent and a procedural change to provide obligation authority for advance pays to service members, as detailed in Other Military Personnel Costs.

The Air Force has programmed a reduction of 6,503 end strength during FY 1998 and FY 1999. Most of the reduction is attributable to force structure drawdown, Congressionally approved base closures, reduced infrastructure and overhead, management improvements, and outsourcing and privatization initiatives. These include programmed actions identified within the recent Quadrennial Defense Review. Our military end strength has now declined a total of 31 percent since 1990.

Currently, we do not anticipate any requirements for the Voluntary Separation Incentive (VSI) and Special Separation Benefit (SSB) programs for FY 1998-1999. The Temporary Early Retirement Authority (TERA) program is contained in the budget request to preclude involuntary separations and continue shaping the force while achieving force reductions. TERA requires the specific portion of retired pay that falls between the fifteenth year and the twentieth year to be obligated in the fiscal year of retirement. For VSI, specific amounts are identified for contribution to the VSI Trust Fund each year.

FISCAL YEAR 1997

Program Levels. The FY 1997 end strength is 377,385 with 386,115 work years. New programs include the transfer of Subsistence-in-Kind from the Operations and Maintenance to the Military Personnel Appropriation; the inclusion of Central Design Activities as a Working Capital Fund (WCF) reimbursement account; and entitlements approved by Congress in the FY 1997 NDAA. The program also provided personnel support for Southwest Asia and Bosnia contingency operations.

Funding Levels. FY 1997 obligations totaled \$17,289,496. This included \$243,350 in anticipated reimbursements from the WCF and non-Air Force activities where Air Force personnel are assigned. Reimbursement increases reflect the new SIK and CDA accounts, partially offset by end strength decreases in other reimbursable activities.

Baseline Budget Rates. The Retired Pay Accrual normal cost percentage is 32.6 percent of basic pay. The pay raise is 3.0 percent; inflation is 2.1 percent; and Basic Allowance for Quarters (BAQ) increase is 4.6 percent.

FISCAL YEARS 1998 AND 1999

Program Levels. The FY 1998 end strength is projected to be 371,409 with 378,486 work years. The FY 1999 end strength is projected to be 370,882 with 374,738 work years. Work year estimates reflect monthly gain and loss patterns and also include mandays for Air Force Guard and Reserve support to active peacetime and contingency missions. FY 1998 legislative actions and proposed FY 1999 initiatives have been added as indicated above. Support is also provided for Southwest Asia contingency operations through 30 September 1999 and Bosnia contingency operations through 30 June 1998.

Funding Levels. The FY 1998 budget estimate is \$17,338,858 to include \$236,738 in anticipated reimbursements. The FY 1999 budget estimate is \$17,516,847 to include \$205,164 in anticipated reimbursements. Reimbursement decreases reflect the draw down of strength in several defense wide activities. The FY 1999 budget request includes obligation authority for advance payments to service members.

Baseline Budget Rates. The Retired Pay Accrual normal cost percentages for FY 1998 and FY 1999 are 30.5 and 30.2 percent of basic pay, respectively. The pay raise adjustments for FY 1998 and FY 1999 are 2.8 percent and 3.1 percent, respectively. The economic assumptions for inflation for FY 1998 and FY 1999 are 1.4 and 1.5 percent, respectively. Basic Allowance for Subsistence (BAS) increases are capped at 1.0 percent per year beginning in FY 1998 in accordance with the BAS reform initiative. The FY 1998 amounts for BAH include a 2.5 percent increase effective 1 January 1998, which is the composite of a 2.8 percent increase to BAQ and a 1.4 percent increase to Variable Housing Allowance (VHA). The FY 1999 BAH includes a 2.8 percent increase that is anticipated from the housing cost surveys completed during 1998.

SECTION 3

SUMMARY TABLES

SECTION 3

SUMMARY OF MILITARY PERSONNEL STRENGTH

	<u>FY 1997 Actual</u>		<u>FY 1998 Estimate</u>		<u>FY 1999 Estimate</u>	
	<u>Work</u>	<u>End</u>	<u>Work</u>	<u>End</u>	<u>Work</u>	<u>End</u>
	<u>Years</u>	<u>Strengths</u>	<u>Years</u>	<u>Strengths</u>	<u>Years</u>	<u>Strengths</u>
<u>Direct Program</u>						
Officers	74,491	72,613	73,245	71,234	72,392	71,202
Enlisted	303,107	296,304	296,665	291,661	294,138	291,473
Cadets	3,951	4,029	3,948	4,000	3,947	4,000
Total Direct Program	381,549	372,946	373,858	366,895	370,477	366,675
<u>Reimbursable Program</u>						
Officers	1,412	1,370	1,541	1,498	1,440	1,414
Enlisted	3,154	3,069	3,087	3,016	2,821	2,793
Cadets	0	0	0	0	0	0
Total Reimbursable Program	4,566	4,439	4,628	4,514	4,261	4,207
<u>Total Program</u>						
Officers	75,903	73,983	74,786	72,732	73,832	72,616
Enlisted	306,261	299,373	299,752	294,677	296,959	294,266
Cadets	3,951	4,029	3,948	4,000	3,947	4,000
TOTAL PROGRAM	386,115	377,385	378,486	371,409	374,738	370,882

**MILITARY PERSONNEL, AIR FORCE
END STRENGTH BY GRADE
(TOTAL PROGRAM)**

	<u>FY 1997</u>		<u>FY 1998</u>		<u>FY 1999</u>	
	<u>Total</u>	<u>Reimb Included</u>	<u>Total</u>	<u>Reimb Included</u>	<u>Total</u>	<u>Reimb Included</u>
<u>Commissioned Officers</u>						
O-10 General	11	0	13	0	12	0
O-9 Lieutenant General	36	1	35	1	37	1
O-8 Major General	81	1	86	2	85	2
O-7 Brigadier General	145	3	140	3	138	3
O-6 Colonel	3,818	71	3,884	80	3,861	75
O-5 Lieutenant Colonel	10,055	186	10,573	218	10,589	206
O-4 Major	15,738	291	16,148	333	16,237	316
O-3 Captain	29,702	551	27,604	567	26,844	522
O-2 1st Lieutenant	7,688	142	7,502	155	7,428	145
O-1 2nd Lieutenant	6,709	124	6,747	139	7,385	144
Total	73,983	1,370	72,732	1,498	72,616	1,414
<u>Enlisted Personnel</u>						
E-9 Chief Master Sergeant	3,022	31	2,947	30	2,943	28
E-8 Senior Master Sergeant	6,056	62	5,894	60	5,885	56
E-7 Master Sergeant	30,794	316	29,450	301	26,484	251
E-6 Technical Sergeant	36,776	377	38,300	392	41,197	391
E-5 Staff Sergeant	77,911	799	74,200	760	70,624	670
E-4 Senior Airman	72,415	742	73,400	751	75,556	718
E-3 Airman First Class	43,277	444	40,907	419	39,554	375
E-2 Airman	17,867	183	17,500	179	18,903	179
E-1 Airman Basic	11,255	115	12,079	124	13,120	125
Total	299,373	3,069	294,677	3,016	294,266	2,793
<u>Cadets</u>	4,029	0	4,000	0	4,000	0
Total End Strength	377,385	4,439	371,409	4,514	370,882	4,207

MILITARY PERSONNEL, AIR FORCE

AVERAGE STRENGTH BY GRADE
(TOTAL PROGRAM)

	FY 1997		FY 1998		FY 1999	
	Total	Reimb Included	Total	Reimb Included	Total	Reimb Included
<u>Commissioned Officers</u>						
O-10 General	12	0	12	0	12	0
O-9 Lieutenant General	39	1	36	1	36	1
O-8 Major General	86	2	86	2	86	2
O-7 Brigadier General	141	3	143	3	140	3
O-6 Colonel	3,978	74	3,894	80	4,040	79
O-5 Lieutenant Colonel	10,426	194	10,568	218	10,886	212
O-4 Major	16,190	301	16,497	340	16,746	327
O-3 Captain	30,392	565	29,278	603	27,136	528
O-2 1st Lieutenant	7,648	142	7,832	161	7,370	144
O-1 2nd Lieutenant	6,991	130	6,440	133	7,380	144
Total	75,903	1,412	74,786	1,541	73,832	1,440
<u>Enlisted Personnel</u>						
E-9 Chief Master Sergeant	3,093	32	3,064	32	3,015	29
E-8 Senior Master Sergeant	6,223	64	6,093	63	6,060	58
E-7 Master Sergeant	31,825	328	30,672	316	28,654	272
E-6 Technical Sergeant	38,550	397	38,150	393	40,492	385
E-5 Staff Sergeant	78,821	812	76,892	792	73,451	698
E-4 Senior Airman	75,134	774	72,543	747	75,458	715
E-3 Airman First Class	43,337	446	42,177	434	39,659	377
E-2 Airman	17,780	183	17,896	184	17,901	170
E-1 Airman Basic	11,498	118	12,265	126	12,269	117
Total	306,261	3,154	299,752	3,087	296,959	2,821
<u>Cadets</u>						
	3,951	0	3,948	0	3,947	0
Total Workyears	386,115	4,566	378,486	4,628	374,738	4,261

MILITARY PERSONNEL, AIR FORCE
ACTIVE DUTY STRENGTHS BY MONTHS
(IN THOUSANDS)

	FY 1997				FY 1998				FY 1999			
	Off	Enl	Cadets	Total	Off	Enl	Cadets	Total	Off	Enl	Cadets	Total
September	76.4	308.6	4.0	389.0	74.0	299.4	4.0	377.4	72.7	294.7	4.0	371.4
October	76.1	307.2	4.0	387.3	73.6	298.5	4.0	376.1	72.9	294.7	4.0	371.6
November	75.8	305.9	4.0	385.7	73.3	297.7	4.0	375.0	72.8	294.9	4.0	371.7
December	75.3	305.1	4.0	384.4	73.2	297.1	4.0	374.3	72.8	295.1	4.0	371.9
January	75.3	304.9	3.9	384.1	73.1	296.9	3.9	373.9	72.2	295.1	3.9	371.2
February	75.1	304.5	3.9	383.5	73.2	296.5	3.9	373.6	72.2	295.0	3.9	371.1
March	74.7	304.0	3.9	382.6	72.5	296.1	3.9	372.5	72.0	295.0	3.9	370.9
April	74.5	303.7	3.9	382.1	72.4	296.1	3.9	372.4	72.0	294.9	3.9	370.8
May	75.3	303.1	3.1	381.5	73.4	295.7	2.9	372.0	73.2	294.8	2.9	370.9
June	75.6	302.3	4.1	382.0	73.9	295.4	4.1	373.4	73.3	294.9	4.1	372.3
July	75.3	301.8	4.1	381.2	73.9	295.3	4.1	373.3	73.2	294.6	4.1	371.9
August	75.0	300.6	4.0	379.6	73.5	294.9	4.0	372.4	72.9	294.6	4.0	371.5
September	74.0	299.4	4.0	377.4	72.7	294.7	4.0	371.4	72.6	294.3	4.0	370.9
Workyears	75.9	306.3	4.0	386.2	74.8	299.8	3.9	378.5	73.8	297.0	3.9	374.7

* FY 1998 includes actuals through Dec 97

MPA MAN-DAY PROGRAM

Workyears	0.8	2.4	3.2	0.8	2.7	3.5	0.7	2.4	3.1
\$	56.3	88.3	144.6	62.3	105.2	167.5	56.4	93.7	150.1

MILITARY PERSONNEL
GAINS AND LOSSES BY SOURCE AND TYPE

OFFICERS

	FY 1997 <u>Actual</u>	FY 1998 <u>Estimate</u>	FY 1999 <u>Estimate</u>
Beginning Strength	76,388	73,983	72,732
Gains (By Source):			
Service Academies	773	938	946
ROTC	1,876	1,931	1,957
Health Professions Scholarships	498	546	503
Officer Training School	487	462	1,227
Other	1,007	1,034	680
Gain Adjustment	0	0	0
Total Gains	4,641	4,911	5,313
Losses (By Type):			
Voluntary Separation	2,558	2,038	2,210
Retirement	2,876	2,337	1,952
Involuntary	404	488	523
With Pay	391	468	503
Without Pay	13	20	20
VSI/SSB	0	0	0
15 Year Retirement	638	1,000	450
Reduction in Force	0	0	0
Other	501	299	294
Loss Adjustment	69	0	0
Total Losses	7,046	6,162	5,429
TOTAL	73,983	72,732	72,616

MILITARY PERSONNEL
GAINS AND LOSSES BY SOURCE AND TYPE

ENLISTED

	FY 1997 <u>Actual</u>	FY 1998 <u>Estimate</u>	FY 1999 <u>Estimate</u>
Beginning Strength	308,608	299,373	294,677
Gains (By Source):			
Non Prior Service Enlistments	30,200	31,300	32,800
Male	21,716	22,670	23,616
Female	8,484	8,630	9,184
Prior Service Enlistments	152	150	350
Reenlistments	43,836	45,556	46,015
Reserves	16	99	100
Officer Candidate Programs	277	448	1,012
Other	182	250	250
Gain Adjustments	695	518	890
Total Gains	75,358	78,321	81,417
Losses (By Type):			
ETS	14,354	13,344	12,030
Programmed Early Release	0	0	0
VSI/SSB	0	0	0
15 Year Retirement	0	0	0
To Commissioned Officer	520	462	1,227
Reenlistments	43,836	45,556	46,015
Retirement	9,766	10,452	9,788
Attrition	15,799	13,110	12,768
Other	0	0	0
Loss Adjustments	318	93	0
Total Losses	84,593	83,017	81,828
TOTAL	299,373	294,677	294,266

MILITARY PERSONNEL

GAINS AND LOSSES BY SOURCE AND TYPE

CADETS

	FY 1997 <u>Actual</u>	FY 1998 <u>Estimate</u>	FY 1999 <u>Estimate</u>
Beginning Strength	4,005	4,029	4,000
Gains:	1,137	1,272	1,292
Losses:	1,113	1,301	1,292
Graduates	795	951	964
Attrition	318	350	328
TOTAL	4,029	4,000	4,000

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(In Thousands of Dollars)

	FY 1997			FY 1998			FY 1999		
	Officer	Enlisted	Total	Officer	Enlisted	Total	Officer	Enlisted	Total
1. Basic Pay	3,251,035	5,719,233	8,970,268	3,313,383	5,756,609	9,069,992	3,346,985	5,851,982	9,198,967
2. Retired Pay Accrual	1,059,837	1,864,470	2,924,307	1,010,582	1,755,766	2,766,348	1,010,789	1,767,299	2,778,088
3. Basic Allowance for Quarters	466,446	809,257	1,275,703	114,623	201,897	316,520	0	0	0
a. With Dependents	347,926	611,243	959,169	84,555	154,775	239,330	0	0	0
b. Without Dependents	118,222	192,114	310,336	30,003	45,632	75,635	0	0	0
c. Partial	275	5,469	5,744	65	1,420	1,485	0	0	0
d. Inadequate Family Housing	23	431	454	0	70	70	0	0	0
4. Variable Housing Allowance	114,407	192,435	306,842	28,009	46,415	74,424	0	0	0
4.1 Basic Allowance for Housing	0	0	0	426,868	745,898	1,172,766	579,333	1,008,454	1,587,787
a. With Dependents				316,932	570,370	887,302	426,186	765,566	1,191,752
b. Without Dependents				109,738	171,058	280,796	152,936	237,264	390,200
c. Partial				198	4,261	4,459	211	5,514	5,725
d. Inadequate Family Housing				0	209	209	0	110	110
5. Subsistence	137,347	787,593	924,940	136,680	783,462	920,142	136,285	795,063	931,348
a. Basic Allowance for Subsistence	137,347	676,990	814,337	136,680	676,550	813,230	136,285	683,108	819,393
1. Authorized to Mess Separately	137,347	546,418	683,765	136,680	542,687	679,367	136,285	543,007	679,292
2. Leave Rations		71,723	71,723		71,233	71,233		71,275	71,275
3. Rations-In-Kind Not Available		48,253	48,253		47,928	47,928		47,957	47,957
4. Augmentation for Separate Meals		10,596	10,596		10,492	10,492		10,498	10,498
5. Partial		0	0		4,210	4,210		10,371	10,371
b. Subsistence-In-Kind		110,603	110,603		106,912	106,912		111,955	111,955
1. Subsistence in Messes		88,699	88,699		88,015	88,015		84,480	84,480
2. Special Rations		9,224	9,224		9,165	9,165		9,194	9,194
3. Operational Rations		9,676	9,676		6,685	6,685		15,190	15,190
4. Augmentation Rations		3,004	3,004		3,047	3,047		3,091	3,091

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(In Thousands of Dollars)

	FY 1997			FY 1998			FY 1999		
	Officer	Enlisted	Total	Officer	Enlisted	Total	Officer	Enlisted	Total
6. Incentive, Hazardous Duty, and Aviation Career Pay									
a. Flying Duty Pay									
1. Aviation Career, Officers	182,599	20,462	203,061	191,557	23,738	215,295	208,497	25,744	234,241
2. Crew Members, Enlisted	179,159	15,490	194,649	187,690	16,755	204,445	204,621	17,141	221,762
3. Noncrew Member	143,564	15,239	158,803	138,822	16,035	154,857	151,073	16,421	167,494
4. Aviator Continuation Pay	145	251	396	198	720	918	198	720	918
5. Parachute Jumping Pay	35,450	1,832	37,282	48,670	2,489	51,159	53,350	2,489	55,839
6. Demolition Pay	127	1,206	1,333	158	1,620	1,778	158	1,620	1,778
7. Other Pays	54	1,934	1,988	72	2,874	2,946	74	4,494	4,568
b. Other Pays	3,259	5,193	8,452	3,637	6,511	10,148	3,644	4,494	8,138
7. Special Pays									
a. Physicians Pay	179,157	77,157	256,314	191,595	85,158	276,753	188,576	80,528	269,104
b. Dental Pay	148,293		148,293	147,750		147,750	147,239		147,239
c. Optometrists Pay	16,409		16,409	30,000		30,000	27,501		27,501
d. Veterinarians Pay	191		191	187		187	184		184
e. Nurses Pay	5		5	4		4	2		2
f. Biomedical Science	5,937		5,937	5,542		5,542	5,574		5,574
g. Sea and Foreign Duty, Total	768		768	756		756	747		747
1. Sea Duty	0	5,208	5,208		5,176	5,176		4,587	4,587
2. Duty at Certain Places		1	1		1	1		1	1
3. Overseas Extension Pay		4,804	4,804		4,780	4,780		4,195	4,195
h. Diving Duty Pay	101		101	101		101	101		101
i. Foreign Language Proficiency Pay	1,706	3,011	4,717	1,706	2,891	4,597	2,530	2,891	5,421
j. Reenlistment Bonus, Total	0	25,712	25,712	0	32,863	32,863	0	32,317	32,317
1. Selective		25,712	25,712		32,863	32,863		32,317	32,317
k. Special Duty Assignment Pay	0	15,242	15,242	0	16,075	16,075	0	16,521	16,521
l. Enlistment Bonus	0	1,636	1,636	0	1,904	1,904	0	2,000	2,000
m. Hostile Fire	5,747	25,146	30,893	5,549	25,072	30,621	4,698	21,046	25,744
n. Other Special Pay	0	0	0	0	0	0	0	0	0

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(In Thousands of Dollars)

	FY 1997			FY 1998			FY 1999		
	Officer	Enlisted	Total	Officer	Enlisted	Total	Officer	Enlisted	Total
8. Allowances									
a. Uniform or Clothing Allowances									
1. Initial Issue	97,063	433,099	530,162	93,992	436,976	530,968	92,782	415,835	508,617
a. Military	1,652	99,295	100,947	1,737	117,383	119,120	1,862	121,663	123,525
b. Civilian	1,188	26,423	27,611	1,246	31,345	32,591	1,331	34,086	35,417
c. Additional	928	24,652	25,580	982	29,892	30,874	1,063	32,374	33,437
d. Basic Maintenance	260	1,771	2,031	264	1,453	1,717	268	1,712	1,980
e. Standard Maintenance	464	0	464	491	0	491	531	0	531
f. Supplemental		11,413	11,413		16,514	16,514		17,665	17,665
g. Station Allowance Overseas		60,518	60,518		68,386	68,386		68,765	68,765
h. Cost-of-Living	92,199	319,793	411,992	88,408	302,054	390,462	87,492	278,127	365,619
i. Housing	53,929	197,054	250,983	48,981	185,986	234,967	48,680	168,261	216,941
j. Moving-In Housing	27,144	83,001	110,145	27,864	76,159	104,023	27,384	68,904	96,288
k. Temporary Lodging	1,608	6,666	8,274	1,568	6,836	8,404	1,627	7,067	8,694
l. Family Separation Allowance	9,518	33,072	42,590	9,995	33,073	43,068	9,801	33,895	43,696
m. On PCS, No Government Quarters	2,568	13,525	16,093	3,200	17,058	20,258	2,773	15,562	18,335
n. On PCS, Dependents Not Authorized	718	2,620	3,338	734	2,645	3,379	757	2,704	3,461
o. On TDY	499	4,466	4,965	665	5,828	6,493	665	5,773	6,438
p. Personal Money Allowance, General Officers	1,351	6,439	7,790	1,801	8,585	10,386	1,351	7,085	8,436
q. CONUS Cost of Living Allowance	50	50	100	49	49	98	47	47	94
r. Separation Payments	594	486	1,080	598	481	1,079	608	483	1,091
s. Terminal Leave Pay	119,855	79,437	199,292	150,029	81,876	231,905	108,876	66,262	175,138
t. Severance Pay, Disability	23,655	25,159	48,814	21,060	24,776	45,836	18,620	25,168	43,788
u. Severance Pay, Non-Promotion	857	8,359	9,216	1,157	8,593	9,750	1,190	8,860	10,050
v. Severance Pay, Involuntary Half (5%)	18,855		18,855	23,802		23,802	28,152		28,152
w. Severance Pay, Involuntary Full (10%)	200	2,886	3,086	64	4,179	4,243	66	4,309	4,375
x. Severance Pay, Involuntary Full (10%)	828	30,912	31,740	1,514	32,207	33,721	1,560	17,804	19,364

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY

(In Thousands of Dollars)

	FY 1997			FY 1998			FY 1999		
	Officer	Enlisted	Total	Officer	Enlisted	Total	Officer	Enlisted	Total
f. VSI Trust Fund	32,579	12,121	44,700	32,579	12,121	44,700	27,379	10,121	37,500
g. 15 Year Temporary Early Retirement	42,881	0	42,881	69,853	0	69,853	31,909	0	31,909
10. Social Security Tax Payment	286,725	503,942	790,667	288,470	503,767	792,237	289,575	508,263	797,838
11. Permanent Change of Station Travel	271,156	539,040	810,196	295,757	577,773	873,530	302,790	589,156	891,946
12. Other Military Personnel Costs	2,031	59,974	62,005	2,006	61,104	63,109	22,806	84,948	107,753
a. Apprehension of Deserters		100	100		100	100		100	100
b. Interest on Uniformed Services Savings Deposits	201	374	575	201	374	575	201	374	575
c. Death Gratuities	414	1,056	1,470	414	1,056	1,470	414	1,056	1,470
d. Unemployment Compensation		47,364	47,364		48,679	48,679		41,623	41,623
e. Survivor Benefits		5,742	5,742		5,742	5,742		4,442	4,442
f. Education Benefits	648	4,756	5,404	623	4,570	5,193	623	4,570	5,193
g. Adoption Reimbursement	499	301	800	499	301	800	499	301	800
h. Surviving Dependents Quarters Allowance	219	281	500	219	281	500	219	281	500
i. Civilian Community Corps	50	0	50	50	0	50	50	0	50
j. Advance Military Pay							20,800	32,200	53,000
13. Cadets	35,739		35,739	34,868		34,868	36,021		36,021
Military Personnel Appropriation Total	6,203,397	11,086,099	17,289,496	6,278,419	11,060,440	17,338,858	6,323,315	11,193,532	17,516,847
14. Less Reimbursables:	116,371	126,979	243,350	98,872	137,866	236,738	88,040	117,124	205,164
Retired Pay Accrual	20,395	17,883	38,278	16,356	18,549	34,905	14,410	16,228	30,638
Other	95,976	109,096	205,072	82,516	119,317	201,833	73,630	100,896	174,526
Military Personnel Appropriation Total, Direct	6,087,026	10,959,120	17,046,146	6,179,547	10,922,574	17,102,120	6,235,275	11,076,408	17,311,683

**ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
MILITARY PERSONNEL, AIR FORCE**

FY 1998

(In Thousands of Dollars)

	FY98 PRESIDENT'S BUDGET	CONGRESSIONAL ACTIONS	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY98 COLUMN FY99 REQUEST
<u>PAY AND ALLOWANCES OF OFFICERS</u>							
Basic Pay	3,304,787	8,500	3,313,287	96	3,313,383		3,313,383
Retired Pay Accrual	1,007,960		1,007,960	2,622	1,010,582		1,010,582
Incentive Pay	180,699		180,699	10,858	191,557		191,557
Special Pay	181,122		181,122	10,522	191,644		191,644
Basic Allowance for Quarters	465,989		465,989	(351,366)	114,623		114,623
Variable Housing Allowance	112,549		112,549	(84,540)	28,009		28,009
Basic Allowance for Housing	0		0	426,868	426,868		426,868
Basic Allowance for Subsistence	139,882		139,882	(3,202)	136,680		136,680
Station Allowances Overseas	100,030	(1,000)	99,030	(10,622)	88,408		88,408
CONUS COLA	560		560	38	598		598
Uniform Allowances	1,744		1,744	(7)	1,737		1,737
Family Separation Allowances	2,228	400	2,628	572	3,200		3,200
Separation Payments	152,604		152,604	(2,575)	150,029		150,029
Social Security Tax - Employer's Contribution	287,734		287,734	736	288,470		288,470
Total Obligations	5,937,888	7,900	5,945,788	0	5,945,788	0	5,945,788
Less Reimbursements	97,502		97,502	0	97,502		97,502
Total Direct Obligations	5,840,386	7,900	5,848,286	0	5,848,286	0	5,848,286

ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS

MILITARY PERSONNEL, AIR FORCE

FY 1998

(In Thousands of Dollars)

	FY98 PRESIDENT'S BUDGET	CONGRESSIONAL ACTIONS	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY98 COLUMN FY99 REQUEST
<u>PAY AND ALLOWANCES OF ENLISTED</u>							
Basic Pay	5,778,468	(6,100)	5,772,368	(15,759)	5,756,609		5,756,609
Retired Pay Accrual	1,762,433		1,762,433	(6,667)	1,755,766		1,755,766
Incentive Pay	20,802		20,802	2,936	23,738		23,738
Special Pay	23,405		23,405	10,911	34,316		34,316
Special Duty Assignment Pay	16,157		16,157	(92)	16,075		16,075
Reenlistment Bonus	32,863		32,863	0	32,863		32,863
Enlistment Bonus	1,660		1,660	244	1,904		1,904
Basic Allowance for Quarters	788,238		788,238	(586,341)	201,897		201,897
Variable Housing Allowance	187,270		187,270	(140,855)	46,415		46,415
Basic Allowance for Housing	0		0	745,898	745,898		745,898
Station Allowances Overseas	327,060	(2,000)	325,060	(23,006)	302,054		302,054
CONUS COLA	381		381	100	481		481
Clothing Allowances	101,374		101,374	16,009	117,383		117,383
Family Separation Allowances	8,708	2,100	10,808	6,250	17,058		17,058
Separation Payments	147,676	(57,836)	89,840	(7,964)	81,876		81,876
Social Security Tax - Employer's Contribution	505,441		505,441	(1,674)	503,767		503,767
Total Obligations	9,701,936	(63,836)	9,638,100	0	9,638,100	0	9,638,100
Less Reimbursements	103,081		103,081	0	103,081		103,081
Total Direct Obligations	9,598,855	(63,836)	9,535,019	0	9,535,019	0	9,535,019
<u>PAY AND ALLOWANCES OF CADETS</u>							
Academy Cadets	35,868	(1,000)	34,868	0	34,868		34,868
Total Direct Obligations	35,868	(1,000)	34,868	0	34,868	0	34,868

**ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
MILITARY PERSONNEL, AIR FORCE**

FY 1998
(In Thousands of Dollars)

	FY98 PRESIDENT'S BUDGET	CONGRESSIONAL ACTIONS	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY98 COLUMN FY99 REQUEST
<u>SUBSISTENCE OF ENLISTED PERSONNEL</u>							
Basic Allowance for Subsistence	678,096	4,500	682,596	(6,046)	676,550		676,550
Subsistence-In-Kind	100,867		100,867	6,046	106,913		106,913
Total Obligations	778,963	4,500	783,463	0	783,463	0	783,463
Less Reimbursements	34,785		34,785	0	34,785		34,785
Total Direct Obligations	744,178	4,500	748,678	0	748,678	0	748,678

<u>PERMANENT CHANGE OF STATION TRAVEL</u>							
Accession Travel	47,332		47,332	1,464	48,796		48,796
Training Travel	52,693		52,693	(551)	52,142		52,142
Operational Travel	138,880		138,880	1,694	140,574		140,574
Rotational Travel	432,366		432,366	(3,589)	428,777		428,777
Separation Travel	96,186		96,186	1,545	97,731		97,731
Organized Units Travel	34,906		34,906	3,627	38,533		38,533
Nontemporary Storage	28,217		28,217	(5,264)	22,953		22,953
Temporary Lodging Expense	28,794		28,794	9,686	38,480		38,480
VSI/SSB/15 Year Retirement	14,156		14,156	(8,612)	5,544		5,544
Total Obligations	873,530	0	873,530	0	873,530	0	873,530
Less Reimbursements	1,370		1,370	0	1,370		1,370
Total Direct Obligations	872,160	0	872,160	0	872,160	0	872,160

**ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS
MILITARY PERSONNEL, AIR FORCE**

FY 1998

(In Thousands of Dollars)

	FY98 PRESIDENTS BUDGET	CONGRESSIONAL ACTIONS	AVAILABLE APPROPRIATION	INTERNAL REALIGNMENT/ REPROGRAMMING	SUBTOTAL	OTHER PRICE/ PROGRAM CHANGES	FY98 COLUMN FY99 REQUEST
<u>OTHER MILITARY PERSONNEL COSTS</u>							
Apprehension of Military Deserters,	100		100	0	100		100
Absentees and Escaped Military Prisoners	575		575	0	575		575
Interest on Uninformed Service Savings Deposits	1,440		1,440	30	1,470		1,470
Death Gratuities	49,693		49,693	(1,014)	48,679		48,679
Unemployment Benefits	5,017		5,017	725	5,742		5,742
Survivor Benefits	800		800	0	800		800
Adoption Reimbursement Program	5,234		5,234	(41)	5,193		5,193
Education Assistance Program	200		200	300	500		500
Allow for Quarters to Surviving Dependents	50		50	0	50		50
Civilian Community Corps							
Total Direct Obligations	63,109	0	63,109	0	63,109	0	63,109
 Total Direct Obligations	17,154,556	(52,436)	17,102,120	0	17,102,120	0	17,102,120

MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)

FY 1998 Direct Program \$17,102,120

Increases:

Basic Pay	128,968
- 1 Jan 99 3.1 percent pay raise	209,016
- Annualization of 1 Jan 98 2.8 percent pay raise	62,492
- Decrease in workyears	-142,540
Advance Pay	53,000
- Payments to service members in advance of military pay earned	53,000
Reimbursements	31,574
- Decrease in reimbursement workyears causes increases in direct program	31,492
- Reduction in moves to support agencies	82
Housing Allowances	24,077
- 1 Jan 99 3.1 percent pay raise	33,905
- Annualization of 1 Jan 98 2.8 percent pay raise	10,071
- Decrease in workyears	-19,899
Incentive Pay	18,946
- ULB initiative changes in HDIP, ACP, ACIP	18,560
- Increase in workyears	386
Inflation	13,082
Retired Pay Accrual	11,740
- 1 Jan 99 3.1 percent pay raise	62,398
- Annualization of 1 Jan 98 2.8 percent pay raise	18,878

- Decrease in RPA rate to 30.2 percent	-33,402
- Decrease in workyears	<u>98,194</u>

Airlift Rates	6,500
---------------------	-------

Basic Allowance for Subsistence	6,324
---------------------------------------	-------

- Increase in Partial BAS rate	6,161
- 1 Jan 99 1.0 percent increase	6,023
- Annualization of 1 Jan 98 1.0 percent increase	2,002
- Increase in Cadet rate (\$5.15 to \$5.25)	163
- Decrease in workyears	-8,025

Subsistence-In-Kind (SIK)	5,041
---------------------------------	-------

- Increase in operational rations	8,405
- Inflation	1,154
- Decrease in meals served (Subsistence in Mess, Spec Rations, Aug Rations)	-4,518

Social Security (FICA)	4,800
------------------------------	-------

- 1 Jan 99 3.1 percent pay raise	16,526
- Annualization of 1 Jan 98 2.8 percent pay raise	5,004
- Decrease in Wage Credit	-2,800
- Decrease in workyears	-13,930

Clothing Allowance	4,405
--------------------------	-------

- Increase in payments	2,606
- Increase in rates	1,799

Entitlement Changes	3,563
---------------------------	-------

- Do-It-Yourself (DITY) move reimbursement increase from 80% to 95% (effective 1 Feb 98)	3,563
--	-------

Dislocation Allowance (DLA)	2,226
-----------------------------------	-------

- 1 Jan 99 3.1 percent DLA increase	2,226
-------------------------------------	-------

Full Funding of Foreign National Students	1,000
---	-------

Special Duty Pay Assignment Pay	446
- Increase in workyears	446
Enlistment Bonus	96
- Increase in payments	96
CONUS COLA	12
- Increase in rates	17
- Decrease in workyears	-5
Total Increases	315,800

Decreases:

Selective Reenlistment Bonus	-546
- Increase in rates	882
- Decrease in payments	-1,428
Survivor Benefits	-1,300
- Decreased payments based on latest Veterans Administration projected number of recipients	-1,300
Family Separation Allowance	-1,923
- 1 Jan 99 3.1 percent pay raise	118
- Annualization of 1 Jan 98 2.8 percent pay raise	36
- Decrease in workyears	-2,077
Program/Move Changes	-6,955
- Increase in number of training, unit, operational, and TERA separation moves	5,245
- Decrease in number of accession, rotational, and separation moves	-12,200
Unemployment Compensation	-7,056
- Decreased payments based on latest Department of Labor projections of unemployment rates and estimated number of recipients	-7,056

Special Pay

-7,847

- Changes in requirements -3,021
 - Decrease in workyears -4,626

Overseas Station Allowances -24,043

- Increase in workyears 1,275
 - Increase in rates 966
 - Decrease in workyears -1,082
 - Decrease in rates -25,202

Separations -56,767

- 1 Jan 99 3.1 percent pay raise 3,263
 - Annualization of 1 Jan 98 2.8 percent pay raise 993
 - Effect of changes in grade and longevity -2,300
 - Decrease in LSTL payments -3,289
 - Decrease in involuntary separation payments -16,721
 - Decrease in early retirement payments -38,713

Total Decreases -106,237

FY 1999 Military Personnel, Air Force Direct Program \$17,311,683

SECTION 4

DETAIL OF MILITARY PERSONNEL ENTITLEMENTS

PAY AND ALLOWANCES OF OFFICERS

1. Pay and Allowances of Officers

FY 1998 Direct Program	\$5,848,286
------------------------------	-------------

Increases:

Basic Pay	33,602
- 1 Jan 99 3.1 percent pay raise	76,049
- Annualization of 1 Jan 98 2.8 percent pay raise	22,737
- Decrease in workyears	-65,184
Incentive Pay	16,940
- ULB initiative changes in HDIP, ACP, ACIP	16,940
Reimbursements	10,750
- Decrease in reimbursement workyears causes increases in direct program	10,750
Housing Allowance	9,833
- 1 Jan 99 3.1 percent pay raise	13,163
- Annualization of 1 Jan 98 2.8 percent pay raise	3,936
- Decrease in workyears	-7,266
Social Security (FICA)	305
- 1 Jan 99 3.1 percent pay raise	6,354
- Annualization of 1 Jan 98 2.8 percent pay raise	1,963
- Decreases in workyears	-8,012
Retired Pay Accrual	207
- 1 Jan 99 3.1 percent pay raise	22,242
- Annualization of 1 Jan 98 2.8 percent pay raise	6,872
- Decrease in workyears	-13,061
- Decrease in Retired Pay Accrual rate to 30.2 percent	-15,846

Clothing Allowance	125	
- Increase in payments	125	
CONUS COLA	10	
Total Increases		71,772
<u>Decreases:</u>		
Overseas Station Allowances	-116	
- Rate Changes	966	
- Decreases in workyears	-1,082	
Basic Allowance for Subsistence	-395	
- 1 Jan 99 1.0 percent increase	1,015	
- Annualization of 1 Jan 98 1.0 percent increase	337	
- Decrease in workyears	-1,747	
Family Separation Allowance	-427	
- 1 Jan 99 3.1 percent pay raise	57	
- Annualization of 1 Jan 98 2.8 percent pay raise	18	
- Decreases in workyears	-502	
Special Pay	-3,021	
- Changes in requirements	-3,021	
Separation Pay	-41,153	
- 1 Jan 99 3.1 percent pay raise	1,757	
- Annualization of 1 Jan 98 2.8 percent pay raise	543	
- Effect of changes in grade and longevity	-2,300	
- Decrease in lump sum terminal leave payments	-2,440	
- 15 year retirement	-38,713	
Total Decreases		-45,112
FY 1999 Direct Program		\$5,874,946

(Amount in Thousands)

PROJECT: BASIC PAY - OFFICERS

FY 1997 Actual	\$3,251,035
FY 1998 Estimate	\$3,313,383
FY 1999 Estimate	\$3,346,985

PART I - PURPOSE AND SCOPE

Funds provide basic compensation for officers on active duty according to grade and length of service under provisions of 37 U.S.C. 201, 203, 204, 205, and 1009.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The Air Force officer personnel program reflected in this budget submission includes losses through the Temporary Early Retirement Authority (TERA).

Officer accessions for FY 1997 through FY 1999 are programmed at the minimum level necessary to ensure an adequate number of entries into the officer ranks to sustain desired future experience levels.

Funding requirements include annualized pay raises of 3.0 percent in FY 1997, 2.8 percent in FY 1998, and 3.1 percent in FY 1999.

(Amount in Thousands)

BASIC PAY - OFFICERS

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General	12	108,202	1,298	12	108,202	1,298	12	108,202	1,298
Lt General	39	106,561	4,156	36	108,202	3,895	36	108,202	3,895
Maj General	86	96,550	8,303	86	99,322	8,542	86	102,328	8,800
Brig General	141	85,209	12,014	143	87,656	12,535	140	90,309	12,643
Colonel	3,978	71,800	285,620	3,894	74,016	288,218	4,040	76,304	308,268
Lt Colonel	10,426	58,066	605,396	10,568	59,900	633,023	10,886	61,312	667,442
Major	16,190	47,401	767,422	16,497	48,981	808,040	16,746	50,016	837,568
Captain	30,392	38,867	1,181,246	29,278	40,082	1,173,521	27,136	41,056	1,114,096
1st Lieutenant	7,648	30,005	229,478	7,832	30,778	241,053	7,370	30,520	224,932
2nd Lieutenant	6,991	22,329	156,102	6,440	22,245	143,258	7,380	22,770	168,043
Total Basic Pay	75,903		\$3,251,035	74,786		\$3,313,383	73,832		\$3,346,985

(Amount in Thousands)

PROJECT: RETIRED PAY ACCRUAL - OFFICERS

FY 1997 Actual	\$1,059,837
FY 1998 Estimate	\$1,010,582
FY 1999 Estimate	\$1,010,789

PART I - PURPOSE AND SCOPE

Funds provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with P. L. 98-94, Section 925(a)(1), Title 10 U.S.C. 1466, as amended.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The budgetary estimates are derived as a product of:

- (a) An accrual percentage of 32.6 percent for FY 1997, 30.5 percent for FY 1998, and 30.2 percent for FY 1999,.
- (b) The total amount of basic pay expected to be paid during the fiscal year to officer members of the armed forces.

The computation of fund requirements is shown in the following table:

FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Workyears	Average		Workyears	Average		Workyears	Average	
	Rate	Amount		Rate	Amount		Rate	Amount
75,903	13,963.04	\$1,059,837	74,786	13,512.98	\$1,010,582	73,832	13,690.39	\$1,010,789

(Amount in Thousands)

PROJECT: INCENTIVE PAY FOR HAZARDOUS DUTY - OFFICERS

FY 1997 Actual	\$182,599
FY 1998 Estimate	\$191,557
FY 1999 Estimate	\$208,497

PART I - PURPOSE AND SCOPE

The purpose of Incentive Pay for Hazardous Duty is to help the Air Force attract and retain officer volunteers in duties requiring more than normal exposure to hazardous duties in peacetime.

Funds provide payment to officers under provisions of 37 U.S.C. 301 as follows:

- (1) Aviation Career Incentive Pay (ACIP) - Paid to regular and reserve officers who hold or are in training leading to an aeronautical rating or designation and who engage and remain in aviation service on a career basis. It is paid in fixed monthly amounts ranging from \$125 to \$650. The FY 1998 National Defense Authorization Act (NDAA), modified in (Sec. 615), increased monthly rates for aviators with more than 14 years of service. The year groups as well as compensation were changed as a means to assist the Service in the retention of aviators.
- (2) Aviation Continuation Pay (ACP) - The ACP program is a financial incentive to complement non-monetary initiatives to improve pilot retention. The FY 1998 National Defense Authorization Act (NDAA) in (Sec. 616) allows a bonus adjustment from \$12,000 to \$25,000 as an incentive to Aviation career officers who agree to remain on active duty through 14 years of active service. The Air Force proposes to pay its members up to \$22,000 and will allow FY97 eligibles to renegotiate contracts to reflect this increase, in compliance with the change in the law.
- (3) Non-Crew Member - Involves frequent and regular participation in aerial flights. Paid as an incentive for the performance of hazardous duty required by orders. It is paid to non-rated crew members and non-crew members (e.g., gunnery instructors, aerial photo personnel, flight nurse) only when performing such duties in fixed monthly amounts of \$110. The FY 1998 National Defense Authorization Act increased this payment to \$150.
- (4) Air Weapons Controller - It has been difficult in recent years to retain members in Airborne Warning and Control System (AWACS) duties. As a result, the rates for this duty have been increased and range from \$125 to \$350 per month. The FY 1998 National Defense Authorization Act increased the minimum payment to \$150 per month.
- (5) Parachute-Jumping - Duties involve parachute jumping from an aircraft in aerial flight and performing the specified minimum jumps, payable at \$110 per month. Members who perform duty involving parachute jumping at a high altitude with a low opening (HALO) as an essential part of duty, are entitled to pay at the monthly rate of \$165. The FY 1998 National Defense Authorization Act increased parachute duty to \$150 and HALO to \$225.
- (6) Experimental Stress - An unusually high level of physiological or other stress; specifically (a) duty inside a high (hyperbaric) or low pressure (altitude) chamber, (b) duty as a human acceleration/deceleration test subject, and (c) duty as a human test subject in thermal stress experiments. It is paid under specified conditions in a monthly amount of \$110. The FY 1998 National Defense Authorization Act increased this payment to \$150.
- (7) Demolition - Explosive demolition as a primary duty including training for such duty. It is paid under specified conditions at a monthly rate of \$110. The FY 1998 National Defense Authorization Act increased this payment to \$150.

- (8) Toxic Fuel Handlers - Duties in which personnel may be exposed to toxic fuels and propellants. This pay was initiated as a result of a number of casualties among personnel who work with hypergolic fuel, specifically hydrazine and nitrogen tetroxide. It is paid at a monthly rate of \$110. The FY 1998 National Defense Authorization Act increased this payment to \$150.
- (9) Live/Hazardous Biological Organisms - Duty involving laboratory work utilizing live dangerous viruses or bacteria. Paid at a monthly rate of \$110. The FY 1998 National Defense Authorization Act increased this payment to \$150.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Incentive pay is computed on the basis of the average number of officers in each category or aviation service/commission service who are eligible for payment. Other incentive duty pay is computed at the statutory rate per workyear. Overall decrease is due to workyear decreases reflected in the projected force drawdown. Deviations in Aviation Continuation Pay from FY 1997 to FY 1998 and beyond are a function of the following: (1) projected take rates in FY 1997 and FY 1998 are reduced, (2) small pool of eligible pilots in FY 1997 due to the extension in the UPT ADSC from 7 to 8 years.

(Amount in Thousands)

INCENTIVE PAY FOR HAZARDOUS DUTY - OFFICERS

Aviation Career Incentive Pay

Yrs Svc Grade	Monthly Rate	FY 1997 Actual			FY 1998 Estimate			Yrs Svc Grade	Monthly Rate	FY 1999 Estimate		
		Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount			Workyears	Statutory Rate	Amount
2	125.00	1,631	1,500	2,447	2,010	1,500	3,015	Less than 2	125.00	2,247	1,500	3,371
2-3	156.00	984	1,872	1,842	989	1,872	1,851	2-3	156.00	1,195	1,872	2,237
3-4	188.00	625	2,256	1,410	516	2,256	1,164	3-4	188.00	982	2,256	2,215
4-6	206.00	1,096	2,472	2,709	1,197	2,472	2,959	4-6	206.00	1,124	2,472	2,779
6-18	650.00	14,663	7,800	114,371	13,142	7,800	102,508	6-14	650.00	8,095	7,800	63,141
18-20	585.00	1,265	7,020	8,880	1,648	7,020	11,569	14-22	840.00	6,679	10,080	67,324
20-22	495.00	963	5,940	5,720	1,465	5,940	8,702	22-23	585.00	685	7,020	4,809
22-24	385.00	888	4,620	4,103	731	4,620	3,377	23-24	495.00	519	5,940	3,083
24-25	385.00	286	4,620	1,321	502	4,620	2,319	24-25	385.00	378	4,620	1,746
25 & over	250.00	245	3,000	735	443	3,000	1,329	Above 25	250.00	113	3,000	339
B/G under 25	200.00	11	2,400	26	12	2,400	29	B/G under 25	200.00	12	2,400	29
Subtotal Flying Duty Crew		22,657		\$143,564	22,655		\$138,822	Subtotal Flying Duty Crew		22,029		\$151,073

Aviation Continuation Pay

				\$35,450			\$48,670					\$53,350
Subtotal Flying Duty Pay				\$179,014			\$187,492					\$204,423

(Amount in Thousands)

INCENTIVE PAY FOR HAZARDOUS DUTY - OFFICERS

Other Incentive Duty Pay

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
Flying Duty Non-Crew	110	1,320	145	110	1,800	198	110	1,800	198
Flying Duty Non-Rated	230	2,220	511	230	2,220	511	230	2,220	511
AWACS Wpns Contr	650	3,384	2200	610	3,900	2379	610	3,900	2379
Parachute Jumping	96	1,320	127	88	1,800	158	88	1,800	158
Parachute HALO	80	1,980	158	80	2,700	216	82	2,700	221
Demolition Duty	41	1,320	54	40	1,800	72	41	1,800	74
Press Chmbr Observer	225	1,320	297	225	1,800	405	225	1,800	405
Accel/Decel Subject	28	1,320	37	28	1,800	50	28	1,800	50
Thermal Stress Subject	5	1,320	7	5	1,800	9	5	1,800	9
Toxic Fuel Handlers	35	1,320	46	35	1,800	63	36	1,800	65
L/Hazard Bio Org	2	1,320	3	2	1,800	4	2	1,800	4
Subtotal Other Incentive Duty Pay			\$3,585			\$4,065			\$4,074
TOTAL INCENTIVE PAY			\$182,599			\$191,557			\$208,497

(Amount in Thousands)

PROJECT: SPECIAL PAY - OFFICERS

FY 1997 Actual	\$179,207
FY 1998 Estimate	\$191,644
FY 1999 Estimate	\$188,623

PART I - PURPOSE AND SCOPE

Funds provide for:

- (1) Special pay for Health Professionals on active duty as physicians, dentists, veterinarians, and optometrists under provisions of 37 U.S.C. 302, 302a, 302b, and 303; the FY 1991 National Defense Authorization Act (P. L. 101-510); the Office of the Assistant Secretary of Defense (OASD), FY 1993 Multi-Year Special Pay (MSP) and Incentive Special Pay (ISP) - Action Memorandum, dated 1 Sep 92; DoD Directive 1340.13, "Special Pay for Medical Corps Officers" and DoD Directive 6000.2, "Minimum Terms of Service and Active Duty Obligations for Health Services Officers."
 - a) Medical Variable Special - A monthly pay authorized for all physicians based on years of creditable service. The total annual pay ranges from \$5,000 to \$12,000 except for O-7s and above who receive \$7,000 per year and interns who receive \$1,200 per year.
 - b) Medical Board Certified - A monthly payment which varies with length of creditable service paid to physicians who become certified or recertified as having successfully met specified post-graduate education, training and experience requirements. The total annual pay ranges from \$2,500 to \$6,000 depending on years of service.
 - c) Medical Additional Special - A lump sum annual payment for physicians not in internship or initial residency training who execute an agreement to remain on active duty for at least one year. Officers receive \$15,000 per year.
 - d) Medical Incentive Special - Paid to qualified physicians in critical specialties who execute an agreement to remain on active duty for at least one year. Amount of pay is based on most critically-short wartime specialties and years of experience. ISP under this program was recently revised by the above mentioned OASD Guidance.
 - e) Multi-Year Special Pay - A program authorized in FY 1991 by P. L. 101-510 (as amended by the above mentioned 1 Sep 92 OASD memorandum) to be used in conjunction with existing ISP authority to enhance physician force management. MSP program replaced the Medical Officer Retention Bonus.
 - f) Dental Variable Special - A monthly pay authorized for all dentists based on years of creditable service. A total annual pay ranges from \$3,000 to \$7,000 except for O-7s and above who receive \$1,000 per year.
 - g) Dental Board Certified - A monthly payment which varies with length of creditable service paid to dentists who become certified or the equivalency as having successfully met specified post-graduate education, training, and experience requirements. The total annual pay ranges from \$2,500 - \$6,000 depending upon years of service.
 - h) Dental Additional Special - A lump sum annual payment for dentists not in internship or residency training who execute an agreement to remain on active duty for at least one year. Payments are \$4,000, \$6,000, \$8,000 or \$10,000 depending on years of service. The FY 1998 NDAA increased these amounts from \$6,000 to \$15,000 based on years of service.
 - i) Dental Accession Bonus - This is a subcategory of Dental Special Pay which was authorized in the FY 1997 National Defense Authorization Act which allows for a new payment category of \$30,000. This is a one time payment on the members entry.
 - j) Dental Multi-year Special Pay (MSP) - The FY 1998 National Defense Authorization Act authorized payments from \$3,000 to \$14,000 per year for dentists with more than eight years in service who accept long-term contracts to remain on active duty.

- k) Nurse Anesthetist Incentive Pay - P. L. 103-337, Section 612, the FY 1995 Authorization Act authorizes an ISP up to \$15,000 to all Certified Registered Nurse Anesthetists.
- l) Nurse Accession Bonus - An accession bonus of up to \$5,000 has been authorized by the FY 1990 Authorization Act.
- m) Nurse Board Certification Pay - The FY 1996 Authorization Act amends section 302C(D(1)) of Title 37 U.S.C. and authorizes payments ranging from \$2,000 to \$5,000 for Board Certified Pay for Non-Physician Health Care Providers.
- n) Optometrists and Veterinarians - A special pay amount of \$100 per month has been authorized by 37 U.S.C., Sec. 302a and 303 respectively.
- o) Biomedical Sciences Corps (BSC) officers - Authorized by P. L. 101-510 Title 37, annual payments are: under 10 years, \$2,000; 10-12 years, \$2,500; 12-14 years, \$3,000; 14-18 years, \$4,000; and over 18 years, \$5,000 for Non-Physician Health Care Providers.
- (2) Personal money allowances for certain general officers under provisions of 37 U.S.C. 414(a). The allowance is payable while an officer is serving in the grade of O-9 or above at annual rates of \$500 and \$2,200 for O-9s and O-10s respectively. Entitlement may also be based upon specific duty assignments as follows: (1) Chairman of the Joint Chiefs of Staff and Chief of Staff of the Air Force payable at \$4,000 per year in place of any other personal money allowance authorized and (2) Senior member of the Military Staff Committee of the United Nations payable at \$2,200 per year in addition to the other personal money allowance authorized.
- (3) Pararescue Diving Duty. The purpose of the special pay is to alleviate a critical manning shortage. The duty involves underwater rescue missions, recovery of space vehicles, detection and treatment of decompression sickness, and infiltration/exfiltration for land rescue in a combat environment. It is paid at the rate of \$150 per month.
- (4) Hostile Fire Duty. Paid to members who serve in designated areas subject to specific dangers. Paid at the rate of \$150 per month.
- (5) Foreign Language Proficiency Pay (Linguist). 37 U.S.C. 316 authorizes this special pay to all officers who are proficient in a second language and DoD has critical need for that language. The pay shall not exceed \$100 a month.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Variable Special Pay is based on cost factors derived from statutory rates and the average number of physicians and dentists programmed per years of credible service. Board Certified Pay and Incentive Special Pay (ISP) are based on the estimated number of physicians and dentists who qualify to receive these special pays multiplied by the statutory rates. The ISP and Multi-Year Special Pay (MSP) rates are based on the projected specialties needed. Added Special pay is estimated from the expected number of physicians who will agree to remain on active duty for at least one additional year, times the applicable rate. Beginning in FY 1991, IAW The Defense Authorization Act, MSP was instituted as a force management tool. Eligible officers who signed up for MSP, which replaced Medical Officer Retention Bonus, are paid over a multi-year period. Special pay for dentists is based on longevity of programmed dentists times the applicable rates. Special pay for veterinarians and optometrists is computed by multiplying statutory rates by the number of people programmed in each specialty.

Details of the computation are shown in the following tables:

(Amount in Thousands)

SPECIAL PAY - OFFICERS

Medical Pay

Physicians Pay	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number Payments	Average Rate	Amount	Number Payments	Average Rate	Amount	Number Payments	Average Rate	Amount
Variable Special	4,131	8,000	33,048	4,119	8,000	32,952	4,107	8,000	32,856
Board Certified Pay	2,479	3,190	7,908	2,471	3,190	7,882	2,464	3,190	7,860
Additional Special Pay	3,196	15,000	47,940	3,199	15,000	47,985	3,202	15,000	48,030
Incentive Special Pay	2,685	17,240	46,289	2,677	17,240	46,151	2,670	17,240	46,031
Multi-Year Special Pay	1,320	9,930	13,108	1,287	9,930	12,780	1,255	9,930	12,462
Subtotal Physicians Pay			\$148,293			\$147,750			\$147,239

Nurses Bonus

Nurses Accession Bonus	309	5,000	1,545	260	5,000	1,300	300	5,000	1,500
Incentive Special Pay	245	15,000	3,675	236	15,000	3,540	226	15,000	3,390
Nurse Board Certification	239	3,000	717	234	3,000	702	228	3,000	684
Subtotal Nurses Bonus			\$5,937			\$5,542			\$5,574

Dentist Pay

Dental Additional	1,084	7,270	7,881	1,122	11,480	12,881	1,122	11,480	12,881
Dental Variable Pay	1,180	4,680	5,522	1,174	7,780	9,134	1,169	7,780	9,095
Board Certified Pay	338	4,190	1,416	349	4,240	1,480	349	4,240	1,480
Dental Accession Bonus	53	30,000	1,590	146	30,000	4,380	64	30,000	1,920
Multi-Year Special Pay	0	9,360	0	227	9,360	2,125	227	9,360	2,125
Subtotal Dentist Pay			\$16,409			\$30,000			\$27,501

(Amount in Thousands)

SPECIAL PAY - OFFICERS

Medical Pay (Continued)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number Payments	Average Rate	Amount	Number Payments	Average Rate	Amount	Number Payments	Average Rate	Amount
<u>Optometrists</u>	159	1,200	191	156	1,200	187	153	1,200	184
<u>Veterinarians</u>	4	1,200	5	3	1,200	4	2	1,200	2
<u>Biomedical Science</u>	256	3,000	768	252	3,000	756	249	3,000	747
Subtotal Medical Pay			171,603			184,239			181,247
<u>Personal Allowance - General Officer</u>									
Chief of Staff	1	4,000	4	1	4,000	4	1	4,000	4
Senior Member of Staff Committee -									
United Nations	0	2,700	0	0	2,700	0	0	2,700	0
General	12	2,200	26	12	2,200	26	11	2,200	24
Lt General	39	500	20	38	500	19	38	500	19
Subtotal Personal Allowance*			50			49			47
<u>Hostile Fire</u>	3,193	1,800	5,747	3,083	1,800	5,549	2,610	1,800	4,698
<u>Diving Duty</u>	56	1,800	101	56	1,800	101	56	1,800	101
<u>Linguist</u>	1,580	1,080	1,706	1,580	1,080	1,706	2,480	1,020	2,530
TOTAL SPECIAL PAY			\$179,207			\$191,644			\$188,623

*Special Pay Total Includes General Officer Allowances.

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR QUARTERS - OFFICERS

FY 1997 Actual	\$466,446
FY 1998 Estimate	\$114,623
FY 1999 Estimate	\$0

PART I - PURPOSE AND SCOPE

Funds provide payment of basic allowance for quarters authorized under provisions of 37 U.S.C. 403, to officers with or without dependents, partial payments to bachelors in government quarters and to officers occupying inadequate quarters under provisions of 10 U.S.C. 2830.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Basic allowance for quarters (BAQ) is determined by multiplying the number of eligible personnel by the statutory rates, by pay grade. The total requirement considers the projected number of sponsor workyears and the projected number of these workyears that will reside in government housing. For inadequate housing, the rate payable is the with-dependent rate less the current experienced average rate charge for the fair rental value of the housing unit. Pay raise adjustments are: 3.0 percent for FY 1997, 2.8 percent for FY 1998. As a Quality of Life Initiative, the BAQ rates for With and Without Dependents was increased 4.6 percent for FY 1997. This reduced the BAQ gap which causes members to absorb 19.8 percent of their housing costs instead of the Congressional goal of 15 percent. The absorption rate remains the same in FY 1998 and FY 1999.

Based on recent information from AF Directorate of Housing, there will be no officers living in inadequate housing in FY 1998, nor do they project any members living in this form of housing through FY 2003. The AF will begin privatizing military family housing in FY 1998, causing a rise in the number of members receiving BAQ at the With Dependent rate.

Beginning on January 1 1998, VHA will be combined with BAQ to form the new Basic Allowance for Housing (BAH) entitlement in accordance with the FY 1998 National Defense Authorization Act. Therefore, the estimate includes only three months of BAQ for FY 1998.

The computation of fund requirements is provided by the following tables:

(Amount in Thousands)

BASIC ALLOWANCE FOR QUARTERS - OFFICERS

With Dependents

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>
General	63	12,042.30	759	63	3,109.56	197			
Colonel	2,458	10,843.05	26,652	2,406	2,799.89	6,737			
Lt Colonel	7,403	10,451.61	77,373	7,504	2,698.81	20,251			
Major	10,535	9,213.22	97,061	10,735	2,379.03	25,539			
Captain	15,891	7,691.49	122,226	14,779	1,980.91	29,276			
1st Lieutenant	2,091	6,697.34	14,004	1,156	1,777.36	2,055			
2nd Lieutenant	1,610	6,118.93	9,851	304	1,647.77	500			
Subtotal with Dependents	40,051		\$347,926	36,947		\$84,555	0		\$0

(Amount in Thousands)

BASIC ALLOWANCE FOR QUARTERS - OFFICERS

Without Dependents - Full Allowance

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>
General	4	9,782.59	39	5	2,526.06	13			
Colonel	222	8,974.79	1,992	217	2,317.47	503			
Lt Colonel	1,058	8,643.84	9,145	1,015	2,232.01	2,264			
Major	2,315	8,010.41	18,544	2,177	2,068.44	4,504			
Captain	8,371	6,442.92	53,934	8,081	1,663.45	13,443			
1st Lieutenant	3,528	5,128.21	18,092	3,810	1,336.30	5,091			
2nd Lieutenant	3,799	4,336.88	16,476	3,734	1,120.96	4,185			
Subtotal without Dependents	19,297		\$118,222	19,039		\$30,003	0		\$0

(Amount in Thousands)

BASIC ALLOWANCE FOR QUARTERS - OFFICERS

Without Dependents - Partial Allowance

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Statutory Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Statutory Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Statutory Rate</u>	<u>Amount</u>
General	1	608.40	1						
Colonel	4	475.20	2	4	118.80	0			
Lt Colonel	20	396.00	8	20	99.00	2			
Major	54	320.40	17	55	80.10	4			
Captain	355	266.40	95	333	66.60	22			
1st Lieutenant	235	212.40	50	239	53.10	13			
2nd Lieutenant	641	158.40	102	619	39.60	24			
Subtotal without Dependents (partial)	1,309		\$275	1,269		\$65	0		\$0

(Amount in Thousands)

BASIC ALLOWANCE FOR QUARTERS - OFFICERS

Inadequate Family Housing

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Rate</u>	<u>Amount</u>
Lt Colonel	1	2,804.04	3						
Major	2	2,909.40	6	0	742.62	0			
Captain	3	2,066.04	6	0	527.36	0			
1st Lieutenant	2	1,696.44	3	0	433.02	0			
2nd Lieutenant	3	1,523.16	5	0	388.79	0			
Subtotal Inadequate Family Housing	10		\$23	0		\$0	0		\$0
TOTAL BASIC ALLOWANCE FOR QUARTERS			\$466,446			\$114,623			\$0

(Amount in Thousands)

PROJECT: VARIABLE HOUSING ALLOWANCE - OFFICERS

FY 1997 Actual	\$114,407
FY 1998 Estimate	\$28,009
FY 1999 Estimate	\$0

PART I - PURPOSE AND SCOPE

Funds provide for payment of variable housing allowance (VHA) authorized under provisions of 37 U.S.C. Section 403a. VHA is based on pay grade, whether member has dependents, and duty assignment in high cost housing areas in the Continental United States (CONUS), Alaska, and Hawaii. A member with dependents who is assigned to an unaccompanied tour of duty outside the U.S. is entitled to a VHA while serving such a tour of duty for any period during which the member's dependents reside in an area of the U.S. which would qualify the member to receive a VHA if assigned to duty in that area.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The Joint Federal Travel Regulation (JFTR), 1 January 1987, authorizes VHA to partially offset high cost housing in designated areas. VHA is authorized to assist members entitled to a basic allowance for quarters (BAQ) to defray housing costs when: (a) Government quarters are not assigned or occupied jointly by the member and dependent(s), and (b) the member is assigned to permanent duty station in a high cost housing area in the United States. For VHA purposes, high cost housing areas are those locations where the median monthly cost of housing for members in the same grade exceeds 80 percent of the median monthly cost of housing for members in same grade throughout the CONUS, Alaska, and Hawaii. The VHA rate is developed using the latest actuals and inflating using an annualization of the approved inflation rates of 2.1 percent in FY 1997 and 1.4 percent in FY 1998 starting in January of each year.

The FY 1996 Defense Authorization Act amended subsection (c)(3) of section 403A of title 37, U.S.C. which allows the Services to implement a VHA Rate Protection program. This option protects a servicemember against unexpected lowering of VHA rates while stationed in a particular area. This program started 1 January 1996. VHA locality floor, enacted in FY 1997 (37 U.S.C., 403a), provides a housing allowance floor for members at 85% of Housing and Urban Development Fair Market Rents (FMR).

The AF will start privatizing military family housing in FY 1998, causing a rise in the number of members receiving VHA.

Beginning on January 1 1998, VHA will be combined with BAQ to form the new Basic Allowance for Housing (BAH) entitlement in accordance with the FY 1998 National Defense Authorization Act. Therefore, the estimate includes only three months of VHA for FY 1998.

The computation of requirements is provided in the following table:

(Amount in Thousands)

VARIABLE HOUSING ALLOWANCE - OFFICERS

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General	72	3,514.13	253	72	887.50	64			
Colonel	2,617	2,784.48	7,287	2,562	703.43	1,802			
Lt Colonel	8,326	2,574.12	21,432	8,439	650.29	5,488			
Major	12,126	2,456.16	29,783	12,356	620.49	7,667			
Captain	22,038	1,907.76	42,043	20,516	481.95	9,888			
1st Lieutenant	5,584	1,293.24	7,221	5,232	326.70	1,709			
2nd Lieutenant	5,519	1,157.40	6,388	4,756	292.39	1,391			
TOTAL VARIABLE HOUSING ALLOWANCE	56,282		\$114,407	53,933		\$28,009	0		\$0

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR HOUSING - OFFICERS

FY 1997 Actual	\$0
FY 1998 Estimate	\$426,868
FY 1999 Estimate	\$579,333

PART I - PURPOSE AND SCOPE

In the FY 1998 National Defense Authorization Act, Congress approved the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). Payment to service members is authorized by revisions to 37 USC 403.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The FY 1998 amount for BAH reflects the 1 January 98 start date for BAH and includes a 2.5 percent increase which is the composite of the 2.8 percent rate applicable to BAQ and the 1.4 percent applicable to VHA. The FY 1999 amount reflects a full year's cost and includes a 2.8 percent increase. This increase is the estimated housing rate increase that will result from the contractor generated surveys of actual housing costs which will be completed during 1998.

The computation of requirements is provided in the following tables:

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING - OFFICERS

With Dependents

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General	63	12,141.08	769				62	16,565.68	1,035
Colonel	2,406	10,475.65	25,207				2,497	14,306.28	35,718
Lt Colonel	7,504	10,030.06	75,263				7,730	13,700.09	105,897
Major	10,735	8,895.25	95,492				10,897	12,148.39	132,381
Captain	14,779	7,342.20	108,510				13,256	10,117.39	134,115
1st Lieutenant	1,156	7,477.83	8,647				979	10,446.88	10,226
2nd Lieutenant	304	10,029.65	3,044				667	10,210.06	6,814
Subtotal with Dependents			\$0	36,947		\$316,932	36,088		\$426,186

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING - OFFICERS

Without Dependents - Full Allowance

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General				5	5,719.84	29	4	13,117.16	52
Colonel				217	8,734.72	1,896	229	12,349.50	2,827
Lt Colonel				1,015	8,604.57	8,729	1,055	11,957.80	12,611
Major				2,177	8,031.77	17,488	2,235	11,060.20	24,722
Captain				8,081	6,007.43	48,548	7,601	8,480.75	64,465
1st Lieutenant				3,810	4,700.76	17,908	3,588	6,605.37	23,698
2nd Lieutenant				3,734	4,054.80	15,140	4,354	5,640.46	24,561
Subtotal without Dependents			\$0	19,039		\$109,738	19,066		\$152,936

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING - OFFICERS

Without Dependents - Partial Allowance

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General				0	608.40	0	1	639.98	1
Colonel				4	356.40	1	0	499.86	0
Lt Colonel				20	297.00	6	11	416.55	5
Major				55	240.30	13	31	337.03	10
Captain				333	199.80	67	192	249.40	48
1st Lieutenant				239	159.30	38	221	181.24	40
2nd Lieutenant				619	118.80	73	635	168.20	107
Subtotal without Dependents (partial)			\$0	1,269		\$198	1,091		\$211

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING - OFFICERS

Inadequate Family Housing

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
Major				0	2,295.30	0	0	3,060.40	0
Captain				0	814.98	0	0	1,086.63	0
1st Lieutenant				0	1,407.85	0	0	1,877.14	0
2nd Lieutenant				0	1,307.46	0	0	1,743.27	0
Subtotal Inadequate Family Housing				0		\$0	0		\$0
TOTAL BASIC ALLOWANCE FOR HOUSING			\$0			\$426,868			\$579,333

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE - OFFICERS

FY 1997 Actual	\$137,347
FY 1998 Estimate	\$136,680
FY 1999 Estimate	\$136,285

PART I - PURPOSE AND SCOPE

Funds provide monthly subsistence allowance as authorized by 37 U.S.C. 402.

PART II - JUSTIFICATION OF FUNDS RECEIVED

Basic allowance for subsistence (BAS) costs are computed by multiplying the statutory rate by the programmed officer workyears. The FY 1997 rate increase is a direct result of the annualization of the pay raise. BAS reform was implemented 1 Jan 1998 as a cost neutral effort to provide all eligible personnel with a BAS payment. BAS reform limits the growth of BAS to 1 percent per year in order to allow the department to make partial BAS payments with the remaining pay raise resources to members receiving subsistence-in-kind (SIK) payments. Projected increases in cost growth will allow the U.S. Department of Agriculture (USDA) food index to catch up with the BAS payment in approximately six years at which time all enlisted personnel will be entitled to a BAS payment.

Details of the computation are provided in the following table:

FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Statutory			Statutory			Statutory		
Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
75,903	1,809.51	\$137,347	74,786	1,827.61	\$136,680	73,832	1,845.88	\$136,285

(Amount in Thousands)

PROJECT: STATION ALLOWANCE, OVERSEAS - OFFICERS

FY 1997 Actual	\$92,199
FY 1998 Estimate	\$88,408
FY 1999 Estimate	\$87,492

PART I - PURPOSE AND SCOPE

Funds provide payment of a per diem allowance to officers on duty outside the Continental United States. The station allowance considers all elements of the cost of living, including quarters, subsistence and other necessary incidental expenses as prescribed by Joint Travel Regulation and authorized under the provisions of 37 U.S.C. 405.

PART II - JUSTIFICATION OF FUNDS REQUESTED

This allowance is authorized for the purpose of defraying the average excess costs experienced by service members. The Overseas Housing Allowance (OHA) consists of the difference between the Basic Allowance for Quarters and the applicable housing costs in the overseas area where members are stationed. The Moving-In Housing Allowance is intended to offset initial costs such as rent deposits, electrical current transformers and other overseas unique initial housing costs. The Temporary Lodging Allowance covers the off-base housing (hotel) costs for military members permanently relocating in or out of an overseas location. The number of personnel entitled to an overseas station allowance are based, as directed in guidance, on historical data adjusted for known changes of each type of allowance. The rates for FY 1997 are from actuals. COLA and OHA amounts for FY 1998 and FY 1999 reflect anticipated reductions in rates identified by OSD based on current trends.

The workyears for Cost of Living, Housing, Moving-In and Temporary Lodging allowances are based on authorized overseas strengths for each fiscal year. Beginning in FY 1997 the Military Personnel Appropriation rejoins the Foreign Currency Fluctuation Defense Account.

(Amount in Thousands)

STATION ALLOWANCES, OVERSEAS - OFFICERS

Cost of Living

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General	43	7,118.68	306	44	6,947.66	306	42	6,935.42	292
Colonel	563	7,417.44	4,176	554	6,683.76	3,704	551	6,683.76	3,685
Lt Colonel	1,444	6,530.28	9,430	1,421	6,034.44	8,578	1,414	6,034.44	8,531
Major	2,413	5,663.04	13,665	2,376	5,243.88	12,460	2,362	5,243.88	12,385
Captain	4,507	4,981.08	22,450	4,438	4,563.72	20,253	4,411	4,563.72	20,129
1st Lieutenant	823	3,730.08	3,070	810	3,585.72	2,905	806	3,585.72	2,889
2nd Lieutenant	274	3,035.16	832	270	2,869.44	775	268	2,869.44	769
Subtotal Cost of Living	10,067		\$53,929	9,914		\$48,981	9,853		\$48,680

(Amount in Thousands)

STATION ALLOWANCES, OVERSEAS - OFFICERS

Housing Allowance

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
General	1	23,524.20	24	1	17,976.48	18	1	17,976.48	17
Colonel	137	10,127.88	1,388	135	10,047.36	1,355	134	10,047.36	1,348
Lt Colonel	539	7,106.88	3,831	531	7,375.68	3,914	528	7,375.68	3,892
Major	1,051	6,011.28	6,318	1,035	6,261.24	6,480	999	6,261.24	6,253
Captain	2,150	6,000.96	12,902	2,117	6,261.48	13,255	2,084	6,261.48	13,049
1st Lieutenant	369	5,576.16	2,058	363	5,822.40	2,115	361	5,822.40	2,103
2nd Lieutenant	111	5,614.20	623	109	6,647.28	727	109	6,647.28	722
Subtotal Housing Allowance	4,358		\$27,144	4,291		\$27,864	4,215		\$27,384
<u>Moving-In Housing Allowance</u>	2,462	653.12	\$1,608	2,283	686.84	\$1,568	2,187	744.16	\$1,627
<u>Temporary Lodging Allowance</u>	19,956	476.95	\$9,518	19,927	501.57	\$9,995	18,035	543.44	\$9,801
TOTAL STATION ALLOWANCES, OVERSEAS			\$92,199			\$88,408			\$87,492

(Amount in Thousands)

PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA) - OFFICERS

FY 1997 Actual	\$594
FY 1998 Estimate	\$598
FY 1999 Estimate	\$608

PART I - PURPOSE AND SCOPE

Congress approved in the FY 1995 Defense Authorization Act the payment of a COLA to servicemembers assigned to high cost areas in the CONUS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

As part of the DoD Quality of Life Initiatives, high cost areas are grouped as Military Housing Areas (MHA) where the cost of goods and services exceeds 108 percent of the national cost of living average. Implementation of the entitlement was 1 July 1995. Computation of program cost is the product of military member by grade and dependency status, the number of members assigned to a designated high-cost area of CONUS, and the percent by which an area's cost of non-housing goods and services exceeds 108 percent of the national cost of living average.

Details of the computations are shown below:

FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Average			Average			Average		
Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
1,546	384.24	\$594	1,523	392.31	\$598	1,504	404.18	\$608

(Amount in Thousands)

PROJECT: UNIFORM ALLOWANCES - OFFICERS

FY 1997 Actual	\$1,652
FY 1998 Estimate	\$1,737
FY 1999 Estimate	\$1,862

PART I - PURPOSE AND SCOPE

Funds provide an initial clothing allowance to officers upon commissioning and an additional allowance for purchase of required uniforms. Authorization for this allowance is under the provisions of 37 U.S.C. 415 and 416. Congress approved the payment of Civilian Clothing Allowance for Air Force Officers in the FY 1988-1989 Defense Authorization Act. Officers assigned at locations outside the United States who are required to wear civilian clothing in the performance of their duties and/or a TDY mission are entitled to receive this allowance.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Uniform allowances are determined by applying statutory rates to the programmed number of eligible officers. On 1 January 1985, the initial clothing allowance paid to all personnel commissioned or appointed as officers in the Regular or Reserve component is \$200 regardless of source of commission or previous enlisted status. Officers are also entitled to an additional active duty uniform allowance of \$100 to pay for additional uniforms required while they are on active duty for training. The number of payments for the Initial and Additional Allowances are based on the number of accessions programmed.

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Statutory			Statutory			Statutory		
	Payments	Rate	Amount	Payments	Rate	Amount	Payments	Rate	Amount
Initial Allowances	4,641	200.00	928	4,911	200.00	982	5,313	200.00	1063
Additional Allowances	4,641	100.00	464	4,911	100.00	491	5,313	100.00	531
Civilian Clothing	241	1,080.79	260	241	1,095.92	264	241	1,112.36	268
TOTAL UNIFORM ALLOWANCES			\$1,652			\$1,737			\$1,862

(Amount in Thousands)

PROJECT: FAMILY SEPARATION ALLOWANCES - OFFICER

FY 1997 Actual	\$2,568
FY 1998 Estimate	\$3,200
FY 1999 Estimate	\$2,773

PART I - PURPOSE AND SCOPE

Funds provide two types of family separation allowance (FSA I & II) payments, under the provisions of 37 U.S.C. 427, to officers with dependents to compensate for added expenses incurred because of forced separation from dependents:

- (1) Members are entitled to FSA I when travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in CONUS for his family and one overseas.
- (2) FSA II is payable when a member with dependents makes a permanent change of station, or member is on temporary duty away from permanent duty station continually for 30 days or more either in CONUS or overseas, and the travel of dependents to member's duty station is not authorized, and dependents do not reside at or near the duty station.

The Air Force supports the FY 1998 National Defense Authorization Act which increased the FSA payment from \$75 to \$100 for those members in TDY and PCS status.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Allowances for family separation payments are determined by multiplying the number of personnel eligible for each type of family separation allowance by the applicable statutory rate.

Details of the cost computation are provided in the following tables:

(Amount in Thousands)

FAMILY SEPARATION ALLOWANCES - OFFICER

PCS Overseas with Dependents not Authorized and Maintain Two Homes

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
Colonel	5	9,079.20	45	5	9,269.86	46	5	9,550.42	48
Lt Colonel	20	8,744.40	175	20	8,928.03	179	20	9,198.24	184
Major	33	8,103.60	267	33	8,273.78	273	33	8,524.18	281
Captain	31	6,494.40	201	31	6,630.78	206	31	6,831.47	212
1st Lieutenant	5	5,151.60	26	5	5,259.78	26	5	5,418.97	27
2nd Lieutenant	1	4,338.00	4	1	4,429.10	4	1	4,563.15	5
Subtotal	95		\$718	95		\$734	95		\$757

PCS CONUS or Overseas with dependents not authorized

554	900.00	\$499	554	1,200.00	\$665	554	1,200.00	\$665
-----	--------	-------	-----	----------	-------	-----	----------	-------

TDY CONUS or Overseas for more than 30 days with dependents not residing near TDY station

1,501	900.00	\$1,351	1,501	1,200.00	\$1,801	1,126	1,200.00	\$1,351
-------	--------	---------	-------	----------	---------	-------	----------	---------

TOTAL FAMILY SEPARATION ALLOWANCE

		\$2,568			\$3,200			\$2,773
--	--	---------	--	--	---------	--	--	---------

(Amount in Thousands)

PROJECT: SEPARATION PAYMENTS - OFFICERS

FY 1997 Actual	\$119,855
FY 1998 Estimate	\$150,029
FY 1999 Estimate	\$108,876

PART I - PURPOSE AND SCOPE

Funds provide:

- (1) Lump sum terminal leave payments to officers for unused accrued leave at time of discharge (under honorable conditions), retirement or death under provisions of 10 U.S.C. 701, and 37 U.S.C. 501.
- (2) Severance pay to officers who are involuntarily discharged or released from active duty, including severance pay to officers not eligible for retirement under any provision of law on the date of elimination by promotion list passover under provisions of 10 U.S.C. 637(a); disability severance pay paid to a member separated from the service for a physical disability under provisions of 10 U.S.C. 1212; and severance pay paid to certain members who voluntarily separate under the Voluntary Separation Incentive (VSI)/Special Separation Benefit (SSB) programs under the provisions of U.S.C. 1775 and 1174a, and certain members who retire under the Temporary Early Retirement Authority (TERA) under the provisions of 10 U.S.C. 8911, 8914 as amended.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Lump sum terminal leave payments are determined by multiplying the projected number of eligibles for each applicable separation payment at rates based on past experience and adjusted for pay raises. For leave accumulated prior to 1 September 1976 and retained throughout the career, payments include basic pay, basic allowance for subsistence and basic allowance for quarters. For leave accumulated after 1 September 1976, to include the lowering to the 1 September 1976 leave balance, the rate payable is basic pay only. Leave payments will not exceed the career total of 60 days.

Severance pays are determined by multiplying a member's basic pay rate for a specified number of months times years of service times a specific percent based on the separation criteria.

The FY 1992 Defense Authorization Act approved two voluntary separation programs to employ during the force drawdown. The programs apply to officer and enlisted members who have more than 6 and less than 20 years of service. The first is the VSI Program and the second is the SSB Program. VSI is calculated as follows: annual basic pay X 2.5 percent X years of service with annuity payments for twice the years of service. SSB payments are calculated as follows: annual basic pay X 15 percent X years of service. These programs will be used to reduce involuntary separations and will be offered to members in overage specialties to facilitate force shaping requirements during the drawdown. Currently, we do not anticipate any requirements for VSI and SSB through FYs 1997, 1998, or 1999.

The FY 1993 Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program is necessary to shape the 15-20 year segment of the force. It will assist the services in achieving their drawdown goals of maintaining readiness and treating people fairly. The criteria for early retirement will include such factors as grade, years of service, and skill, with a focus on the population where the inventory exceeds requirements. Members approved for early retirement will receive the same benefits as individuals with 20 or more years of service. However, their retired pay will be reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent X years of service X basic pay (adjusted for COLA) X reduction factor. For members who leave under the early retirement program, the Air Force is required to establish a subaccount within the Military Personnel Appropriation to fund up front all early retirement payments including cost of living adjustments which will cover the entire initial period. This period is defined as that period equal to the difference between 20 years and the number of years completed by the member. The authority to use VSI, SSB, and the early retirement programs terminates on 1 October 1999.

(Amount in Thousands)

SEPARATION PAYMENTS - OFFICERS

Lump Sum Terminal Leave Payments

Grade	FY 1997 Actual				FY 1998 Estimate				FY 1999 Estimate			
	Payments	Days	Average Rate	Amount	Payments	Days	Average Rate	Amount	Payments	Days	Average Rate	Amount
General	59	60.4	15,539.86	917	35	60.7	15,675.62	550	42	59.8	15,891.47	675
Colonel	743	43.7	8,601.98	6,391	636	43.4	8,795.52	5,590	523	42.1	9,046.10	4,727
Lt Colonel	1,135	26.6	4,238.34	4,811	1,135	26.4	4,333.70	4,919	1,010	25.8	4,457.16	4,502
Major	1,679	23.1	3,005.92	5,047	1,244	22.9	3,073.55	3,822	875	22.4	3,161.11	2,765
Captain	2,809	20.5	2,182.89	6,132	2,612	20.3	2,232.00	5,831	2,438	19.8	2,295.59	5,597
1st Lieutenant	248	15.3	1,255.05	311	251	15.2	1,283.29	323	243	15.3	1,319.85	321
2nd Lieutenant	62	12.0	736.24	46	33	12.4	752.81	25	42	12.1	774.25	33
Subtotal Lump Sum Terminal Leave				\$23,655				\$21,060				\$18,620

Separation Pay

Full Promotion/Unfit	359	52,520.00	18,855	440	54,096.00	23,802	475	59,268.00	28,152
Disability	20	42,867.00	857	25	46,266.00	1,157	25	47,613.00	1,190
Severance Pay, Non Disability	7	28,571.00	200	3	21,217.00	64	3	21,853.00	66
Invol-Half Pay 5%	25	33,118.00	828	25	60,575.00	1,514	25	62,392.00	1,560
Invol-Half Pay 10%	0	0.00	0	0	0.00	0	0	0.00	0
SSB	0	0.00	0	0	0.00	0	0	0.00	0
VS	0	0.00	0	0	0.00	0	0	0.00	0
VSI Trust Fund*			32,579			32,579			27,379
15 Year Retirement	638		42,881	1,000		69,853	450		31,909
Subtotal Separation Pay			\$96,200			\$128,969			\$90,256
TOTAL SEPARATION PAYMENTS			\$119,855			\$150,029			\$108,876

(Amount in Thousands)

PROJECT: SOCIAL SECURITY TAX (EMPLOYER'S CONTRIBUTION) - OFFICERS

FY 1997 Actual	\$286,725
FY 1998 Estimate	\$288,470
FY 1999 Estimate	\$289,575

PART I - PURPOSE AND SCOPE

Funds represent the Air Force contribution (as an employer) as required by the Federal Insurance Contribution Act (FICA) under provisions of 26 U.S.C. 3101 and 3111.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Social security costs are based on the percentage rate set by law on a member's salary for a calendar year. P. L. 98-21, "Social Security Amendment of 1983" dated 20 April 1983, established the tax rate while the maximum taxable income is determined by the Social Security Administration. The Old Age, Survivor and Disability Insurance (OASDI) rate is 6.2 percent and the Hospital Insurance (HI) is 1.45 percent. There is no wage cap on the 1.45 percent medical contribution. The Government's contribution is based on the percentage rate set by law on member's salary for a calendar year. Taxable income ceilings for OASDI are as follows:

Calendar Year 1997 - 7.65% on First \$65,400
Calendar Year 1998 - 7.65% on First \$68,100
Calendar Year 1999 - 7.65% on First \$71,100

Funding for FY 1997, FY 1998, and FY 1999 includes employer's contribution to Social Security for which military members receive wage credit but no social security tax (i.e., quarters and subsistence allowances). DoD makes direct payments to the Social Security Trust Funds based on Health and Human Services (HHS) estimates to cover the cost of these additional credits.

Details of the computations are shown below:

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Rate	Average	Workyears	Rate	Average	Workyears	Rate	Average
Officers	75,903	3,240.23		74,786	3,354.75		73,832	3,433.38	
Wage Credit				40,782					
				245,943			250,888		
				40,782			37,582		
TOTAL SOCIAL SECURITY TAX				\$286,725			\$288,470		
									\$289,575

PAY AND ALLOWANCES OF ENLISTED

MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)

2. Pay and Allowances of Enlisted

FY 1998 Direct Program 9,535,019

Increases:

Basic Pay 95,373

- 1 Jan 99 3.1 percent pay raise 132,967
- Annualization of 1 Jan 98 2.8 percent pay raise 39,755
- Decrease in workyears -77,349

Housing Allowances 14,244

- 1 Jan 99 3.1 percent pay raise 20,742
- Annualization of 1 Jan 98 2.8 percent pay raise 6,135
- Decrease in workyears -12,633

Reimbursements 12,007

- Decrease in reimbursement workyears causes increase in direct program 12,007

Retired Pay Accrual 11,533

- 1 Jan 99 3.1 percent pay raise 40,156
- Annualization of 1 Jan 98 2.8 percent pay raise 12,006
- Decrease in RPA rate to 30.2 percent -17,556
- Decrease in workyears -23,073

Social Security (FICA)		4,496
- 1 Jan 99 3.1 percent pay raise	10,172	
- Annualization of 1 Jan 98 2.8 percent pay raise	3,041	
- Decrease in Wage Credit	-2,800	
- Decrease in workyears	-5,917	
Clothing Allowance		4,280
- Increase in payments	2,481	
- Increase in rates	1,799	
Incentive Pay		2,006
- ULB initiative - Firefighters	1,620	
- Increase in workyears	386	
Special Duty Assignment Pay		446
- Increase in workyears	446	
Enlistment Bonus		96
- Increase in payments	96	
CONUS COLA		2
- Increase in rates	7	
- Decrease in workyears	-5	
Total Increases		144,483

Decreases:

Selective Reenlistment Bonus	-546
- Increase in rates	882
- Decrease in payments	-1,428
Family Separation Allowance	-1,496
- 1 Jan 99 3.1 percent pay raise	61
- Annualization of 1 Jan 98 2.8 percent pay raise	18
- Decrease in workyears	-1,575
Special Pay	-4,626
- Decrease in workyears	-4,626
Separations	-15,614
- 1 Jan 99 3.1 percent pay raise	1,506
- Annualization of 1 Jan 98 2.8 percent pay raise	450
- Decrease in LSTL payments	-849
- Decrease in involuntary separation payments	-16,721
Overseas Station Allowances	-23,927
- Increase in workyears	1,275
- Decrease in rates	-25,202
Total Decreases	-46,209
FY 1999 Direct Program	9,633,293

(Amount in Thousands)

PROJECT: BASIC PAY - ENLISTED

FY 1997 Actual	\$5,719,233
FY 1998 Estimate	\$5,756,609
FY 1999 Estimate	\$5,851,982

PART I - PURPOSE AND SCOPE

Funds provide basic compensation of enlisted personnel on active duty, including length of service increments, under provision of 37 United States Codes 201, 203, and 205.

PART II - JUSTIFICATION OF FUNDS REQUESTED

FY 1997 beginning strength was 308,608 with an ending strength of 299,373 resulting in the utilization of 306,261 workyears.

FY 1998 beginning strength will be 299,373 and ending with 294,677 using 299,752 workyears.

FY 1999 beginning strength will be 294,677 and ending with 294,266 using 296,959 workyears.

Funding requirements include annualized pay raises of 3.0 percent in FY 1997, 2.8 percent in FY 1998, and 3.1 percent in FY 1999.

(Amount in Thousands)

BASIC PAY - ENLISTED

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	3,093	39,275	121,478	3,064	40,362	123,669	3,015	41,528	125,207
Senior Master Sergeant	6,223	32,381	201,507	6,093	33,183	202,184	6,060	34,154	206,973
Master Sergeant	31,825	27,428	872,896	30,672	28,181	864,368	28,654	28,973	830,192
Technical Sergeant	38,550	23,486	905,385	38,150	24,098	919,339	40,492	24,739	1,001,732
Staff Sergeant	78,821	19,642	1,548,202	76,892	20,292	1,560,292	73,451	20,847	1,531,233
Sergeant	75,134	15,771	1,184,938	72,543	16,278	1,180,855	75,458	16,676	1,258,338
Airman First Class	43,337	12,834	556,187	42,177	13,249	558,803	39,659	13,632	540,631
Airman	17,780	12,033	213,947	17,896	12,376	221,481	17,901	12,750	228,238
Airman Basic	11,498	9,975	114,693	12,265	10,242	125,618	12,269	10,550	129,438
TOTAL BASIC PAY	306,261		\$5,719,233	299,752		\$5,756,609	296,959		\$5,851,982

(Amount in Thousands)

PROJECT: RETIRED PAY ACCRUAL - ENLISTED

FY 1997 Actual	\$1,864,470
FY 1998 Estimate	\$1,755,766
FY 1999 Estimate	\$1,767,299

PART I - PURPOSE AND SCOPE

Funds provide for the Department of Defense's contribution to the Military Retirement Fund, under provisions of 10 United States Code 1466. Retired pay accrual amounts are approved rates based on the latest economic assumptions, i.e., interest, salary and cost-of-living adjustments.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The budgetary estimates are derived using accrual percentages of 32.6 for FY 1997, 30.5 for FY 1998, and 30.2 for FY 1999 based on the total amount of basic pay expected to be paid during each fiscal year to enlisted members of the Air Force.

The computation of fund requirements is shown in the following table:

FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
Workyears	Average		Workyears	Average		Workyears	Average	
	Rate	Amount		Rate	Amount		Rate	Amount
306,261	6,087.85	\$1,864,470	299,752	5,857.40	\$1,755,766	296,959	5,951.32	\$1,767,299

(Amount in Thousands)

PROJECT: INCENTIVE PAY FOR HAZARDOUS DUTY - ENLISTED

FY 1997 Actual	\$20,462
FY 1998 Estimate	\$23,738
FY 1999 Estimate	\$25,744

PART I - PURPOSE AND SCOPE

The purpose of Incentive Pay for Hazardous Duty is to help the Air Force attract and retain enlisted volunteers in duties requiring more than normal exposure to hazardous duties in peacetime. The FY 1998 NDAA increased the minimum monthly incentive pay to \$150 per month.

Funds provide payment to enlisted personnel under provisions of 37 United States Code 301 as follows:

- (1) Crew Member - A member who is required by competent orders to participate frequently and regularly in aerial flights. Minimum monthly flight requirements must be attained in order to qualify for this pay.
- (2) Non-Crew Member - Involves frequent and regular participation in aerial flights. Enlisted personnel non-crew members are classified as "operational support flyers." They are required to perform critical in-flight duties (such as maintenance) that cannot be performed by an assigned crew member. The requirement for this entitlement has increased due to the addition of non-rated positions within Air Force Materiel Command.
- (3) Parachute Jumping - Incentive pay for hazardous duty to induce volunteer enlisted personnel to enter into and remain in duty involving parachute jumping from an aircraft in aerial flight. The high altitude with a low opening (HALO) parachute duty pay increased by \$60 per month in order to maintain this pay at 50 percent higher than regular parachute duty.
- (4) Demolition - Explosive demolition as a primary duty including training for such duty. Paid to members who demolish, by the use of explosives, underwater objects, obstacles or explosives, or who recover and render harmless, by disarming or demolition, explosives which have failed to function as intended or which become a potential hazard.
- (5) Experimental Stress - Duties involving an unusually high level of physiological or other stress; specifically (a) duty inside a high (hyperbaric) or low pressure (altitude) chamber, (b) duty as a human test subject in thermal stress experiments, and (c) duty as human acceleration/deceleration test subject.
- (6) Toxic Fuel Handlers - Duties in which personnel may be exposed to toxic fuels and propellants. This pay was initiated as a result of a number of casualties among personnel who work with hypergolic fuel, specifically, hydrazine and nitrogen tetroxide.
- (7) Live/Hazardous Biological Organisms - Duties in which members may be exposed to toxic pesticides or to various hazardous viruses and biological organisms.
- (8) Other hazardous duty required by order and authorized under the provisions of 37 United States Code 301. The requirement for air weapons controller HDIP increases due to the continued fielding of Joint STARS aircraft. In addition, the minimum air weapons controller HDIP increases to \$150 per month resulting in an increase to the average for this category. The Air Force supports the FY 1999 legislative initiative adding primary duty firefighters to the list of personnel authorized to receive HDIP. The Air Force has 3,600 firefighters for a projected cost of \$6.5 million per year.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Incentive duty pay is computed on the basis of the average number of enlisted in each pay grade who are eligible for payment. Average pay rates for flying duty crew members are those prescribed by law, based on average years of service by pay grade. All other hazardous duty pay is computed at the statutory rate per workyear.

The computation of fund requirements is provided in the following tables:

(Amount in Thousands)

INCENTIVE PAY FOR HAZARDOUS DUTY - ENLISTED

Flying Duty Crew Members

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
Chief Master Sergeant	93	2,400	223	93	2,400	223	95	2,400	228
Senior Master Sergeant	264	2,400	634	263	2,400	631	270	2,400	648
Master Sergeant	1,270	2,400	3,048	1,267	2,400	3,041	1,298	2,400	3,115
Technical Sergeant	1,575	2,100	3,308	1,572	2,100	3,301	1,611	2,100	3,383
Staff Sergeant	2,555	1,800	4,599	2,550	1,800	4,590	2,611	1,800	4,700
Sergeant	1,700	1,500	2,550	1,697	1,800	3,055	1,737	1,800	3,127
Airman First Class	556	1,320	734	555	1,800	999	568	1,800	1,022
Airman	102	1,320	135	102	1,800	184	104	1,800	187
Airman Basic	6	1,320	8	6	1,800	11	6	1,800	11
Subtotal Flying Duty Crew	8,121		\$15,239	8,105		\$16,035	8,300		\$16,421
<u>Non-Fly Crew Members</u>	190	1,320	251	400	1,800	720	400	1,800	720
Subtotal Flying Duty Pay	8,311		\$15,490	8,505		\$16,755	8,700		\$17,141
<u>Other Incentive Duty Pay</u>									
Parachute Jumping	330	1,320	436	325	1,800	585	325	1,800	585
Parachute HALO	705	1,980	1,396	705	2,700	1,904	705	2,700	1,904
Experimental Stress	504	1,320	665	500	1,800	900	500	1,800	900
Demolition	914	1,320	1,206	900	1,800	1,620	900	1,800	1,620
Toxic Fuel Handler	709	1,320	936	770	1,800	1,386	770	1,800	1,386
Hazardous Bio Org	56	1,320	74	60	1,800	108	60	1,800	108
Air Weapons Controller	115	2,256	259	200	2,400	480	200	2,400	480
Firefighters	0	0	0	0	0	0	3,600	450	1,620
Subtotal Other Incentive Duty Pay	3,333		\$4,972	3,460		\$6,983	7,060		\$8,603
TOTAL INCENTIVE PAY	11,644		\$20,462	11,965		\$23,738	15,760		\$25,744

(Amount in Thousands)

PROJECT: SPECIAL PAY - ENLISTED

FY 1997 Actual

\$34,367

FY 1998 Estimate

\$34,316

FY 1999 Estimate

\$29,690

PART I - PURPOSE AND SCOPE

Funds provide special pay to enlisted personnel for sea duty or duty outside the 48 contiguous states and the District of Columbia as designated by the Secretary of Defense under the provisions of 37 United States Code 305 and 305a; for duty subject to hostile fire under the provisions of 37 United States Code 310; and for special pay for enlisted members extending duty at designated locations overseas under the provisions of 37 United States Code 314.

(1) Duty at Certain Places (Foreign Duty) - Payment to certain enlisted personnel for purposes of morale and in recognition of the greater than normal hardship experienced at designated locations outside the 48 contiguous states and the District of Columbia. Payment is based on grade with rates ranging from \$8 to \$22.50 per month.

(2) Overseas Tour Extension Pay - Purpose is to induce enlisted personnel in certain specified "critical skill" classifications to extend their tours for the convenience of the government. Some military specialties are imbalanced in that there are many more positions overseas than in the United States. This results in members being reassigned overseas after less than two years in the United States. This is a career irritant that has resulted in many voluntary separations from the service. A financial incentive for extending tours of duty overseas helps alleviate these problems as well as conserve permanent change of station (PCS) funds.

(3) Diving Duty Pay - Authorized for enlisted members of the Air Force under the provisions of 37 United States Code 34. The specific amount to be paid is determined by the Secretary of the Air Force. Although the maximum amount authorized by law is \$300/month for enlisted personnel, the amounts paid by the Air Force are \$100 or \$150 per month based on divers' skill levels, responsibility, hazard, and need for the incentive. Air Force enlisted members engaged in diving duties fall into two career fields, pararescue and diving duty basic. Changes in the DoD Pay Manual have authorized members to receive pay when they start training. Pararescue divers conduct day/night underwater rescue operations; recover space vehicles; detect and treat decompression sickness; diving accidents/injuries; infiltrate and exfiltrate for land rescue in a combat environment and; deploy to sea via parachute, helicopter, surface or subsurface vessel. Combat control team members, who receive the diving duty-basic scuba pay, conduct infiltration and exfiltration to establish and manage air landing/off-load areas ashore. They enter water from surface vessel, parachute or helicopter drop.

(4) Hostile Fire Pay - Paid to members who serve in designated areas subject to specific dangers.

(5) Foreign Language Proficiency Pay - Authorized in 37 United States Code 316 for enlisted members who have been certified as proficient in a foreign language identified by the Secretary of Defense who is: (a) qualified in a military specialty requiring such proficiency; (b) received training to develop such proficiency; (c) assigned to military duties requiring such a proficiency; or (d) is proficient in a language for which DoD has a critical need. The pay, ranging between \$50 and \$100 a month, is based on proficiency skill levels.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Amounts are computed by applying statutory rates to the average numbers of personnel programmed to be eligible. These areas are sensitive to initiatives in support of the national defense mission. They include continuing efforts such as Southwest Asia and Bosnia contingencies.

(Amount in Thousands)

SPECIAL PAY - ENLISTED

Duty at Certain Places

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Chief Master Sergeant	154	270	42	154	270	42	135	270	36
Senior Master Sergeant	390	270	105	392	270	106	344	270	93
Master Sergeant	2,326	270	628	2,300	270	621	2,020	270	545
Technical Sergeant	3,262	240	783	3,168	240	760	2,782	240	668
Staff Sergeant	7,147	192	1,372	7,162	192	1,375	6,289	192	1,207
Sergeant	8,967	156	1,399	8,951	156	1,396	7,860	156	1,226
Airman First Class	3,303	108	357	3,314	108	358	2,909	108	314
Airman	1,115	96	107	1,144	96	110	1,005	96	96
Airman Basic	112	96	11	122	96	12	107	96	10
Subtotal Duty at Certain Places	26,776		\$4,804	26,707		\$4,780	23,451		\$4,195
<u>Diving Duty Basic</u>	7	1,320	\$9	7	1,320	\$9	7	1,320	\$9
<u>Diving Duty Pararescue</u>	663	1,800	\$1,193	649	1,800	\$1,168	643	1,800	\$1,157
<u>Overseas Tour Extension Pay</u>	420	960	\$403	411	960	\$395	407	960	\$391
<u>Sea Duty</u>	1	660	\$1	1	660	\$1	1	660	\$1
<u>Hostile Fire Pay</u>	13,970	1,800	\$25,146	13,929	1,800	\$25,072	11,692	1,800	\$21,046
<u>Foreign Language Proficiency Pay</u>	3,177	948	\$3,011	2,960	977	\$2,891	2,960	977	\$2,891
TOTAL SPECIAL PAY	45,014		\$34,567	44,664		\$34,316	39,161		\$29,690

(Amount in Thousands)

PROJECT: SPECIAL DUTY ASSIGNMENT PAY - ENLISTED

FY 1997 Actual	\$15,242
FY 1998 Estimate	\$16,075
FY 1999 Estimate	\$16,521

PART I - PURPOSE AND SCOPE

Special Duty Assignment Pay is authorized by United States Code 307 as an incentive to induce enlisted members to qualify for and serve in duties which are extremely difficult, or duties which involve an unusual degree of responsibility. As of this submission, the Air Force has designated 24 specific duties. Payment is based on skill levels with monthly rates ranging from \$55 to \$375.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Special duty assignment pay is currently authorized for recruiters, basic military training instructors, human intelligence debriefers, combat controllers, pararescue personnel, tactical air command and control personnel, enlisted weapons directors, parachuting instructors, forward area refueling point personnel, flying crew chiefs, defense couriers, members of two joint operational commands, members of two special government agencies, and a classified Air Force project. The duties are demanding, arduous and require extraordinary effort for satisfactory performance. The Air Force conducts reviews of the duties, requiring periodic justification, with changes as may be indicated by the review. This program is dynamic, in that duties may be added or deleted throughout the year.

	<u>FY 1997 Actual</u>		<u>FY 1998 Estimate</u>		<u>FY 1999 Estimate</u>	
	<u>Workyears</u>	<u>Amount</u>	<u>Workyears</u>	<u>Amount</u>	<u>Workyears</u>	<u>Amount</u>
SD-6 (\$375)	1,564	7,038	1,625	7,313	1,675	7,538
SD-5 (\$275)	621	2,049	650	2,145	675	2,228
SD-4 (\$220)	312	824	400	1,056	425	1,122
SD-3 (\$165)	1,572	3,113	1,675	3,317	1,690	3,346
SD-2 (\$110)	1,580	2,086	1,575	2,079	1,595	2,105
SD-1 (\$55)	200	132	250	165	275	182
TOTAL SPECIAL DUTY ASSIGNMENT PAY	5,849	\$15,242	6,175	\$16,075	6,335	\$16,521

(Amount in Thousands)

PROJECT: SELECTIVE REENLISTMENT BONUS - ENLISTED

FY 1997 Actual	\$25,712
FY 1998 Estimate	\$32,863
FY 1999 Estimate	\$32,317

PART I - PURPOSE AND SCOPE

A Selective Reenlistment Bonus (SRB) is authorized by United States Code 308 as an incentive to attract additional reenlistments in critical military specialties which are characterized by retention levels insufficient to sustain the career force at an adequate level. It is available for application to problem reenlistment points from 21 months to 14 years of active service. The bonus amount is the product of up to 10 months of basic pay to which the member was entitled at the time of discharge or release, times the number of years of additional obligated service, not to exceed a total amount of \$45,000. The Air Force has chosen to place a ceiling of \$30,000 on the bonus and has capped the base pay multiple at 3.5 months. The FY 1988 DoD Authorization Act changed the SRB pay methodology. The Air Force pays SRBs under the installment program paying 50 percent up front and the remainder in equal annual payments. Accelerated payments are installment payments made in advance of the normal anniversary dates. Average rates paid change in connection with multiples authorized, years of reenlistment and annual pay raises.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Selective reenlistment bonus requirements are based on retention trends, current and projected manning levels, and year group shortages in critical skills. Bonuses are successful in both attracting reenlistment of members currently serving in the designated skills, and in attracting members serving in other skills to reenlist for service in the designated skills. To ensure the most prudent and effective expenditure of funds, the Air Force performs a top-to-bottom review of all skills twice each year.

During the SRB review for FY 1998, the number of authorized skills was increased by twenty and awarded the maximum multiple of 3.5 to a total of six skills (a total of twelve zones A & B). This is up four from the previous year. The goal of SRB is to maintain skill/manning in line with required end strength. Retaining an adequate budget allows for the distribution of bonuses to alleviate unprojected manning shortfalls. As retention continues to be a top priority, expanded monetary inducements will be required to keep highly trained and experienced personnel in the Air Force. Our FY 1998 and FY 1999 budget estimates reflect these anticipated changes.

While the overall force is drawing down, the need for bonuses is not directly tied to the overall strength levels, but rather to needs in specific skills. Thus, no matter how large or rapid the drawdown, there will always be some specific skills with insufficient retention and a need for the bonus. We will also experience small year groups entering the reenlistment window and will need to continue bonuses that might otherwise be reduced/eliminated in order to attain necessary reenlistments to sustain the force.

The Air Force has and will continue to focus management initiatives to balance overage and shortage skills. For shortage skills, the Air Force continually evaluates the SRB program and offers bonuses where appropriate. Other initiatives to fill shortage skills include: increased promotion opportunity to members in chronic critical shortage skills; retraining NCOs from overage skills into shortage skills; and returning previously qualified specialists to shortage skills. The following actions are aimed at reducing overage skills: voluntary and involuntary retraining out of overage skills; and screening/selecting personnel in overage skills for service in shortage skills in which previously qualified.

(Amount in Thousands)

SELECTIVE REENLISTMENT BONUS (SRB)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	<u>No. Pymts</u>	<u>Average Rate</u>	<u>Amount</u>	<u>No. Pymts</u>	<u>Average Rate</u>	<u>Amount</u>	<u>No. Pymts</u>	<u>Average Rate</u>	<u>Amount</u>
Initial Payments	3,612	3,598	12,996	4,451	4,288	19,086	3,899	4,500	17,546
Anniversary Payments	12,112	941	11,397	13,106	991	12,988	14,053	999	14,039
Accelerated Payments	380	3,470	1,319	300	2,630	789	300	2,440	732
TOTAL	16,104		\$25,712	17,857		\$32,863	18,252		\$32,317

REENLISTMENT BONUS OUTYEAR IMPACT
MILITARY PERSONNEL, AIR FORCE

	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Prior Oblig	12,112	11,397	9,519	9,438	6,110	6,876	4,192	5,386	1,907	3,025				
Accelerated Payments	380	1,319	300	789	300	732	300	755	300	792	300	812	300	842
Prior Year	3,612	12,996	3,587	3,550	3,523	3,346	3,422	3,148	2,443	2,962	1,426	2,786		
FY 1997			4,451	19,086	4,420	3,817	4,342	3,591	4,216	3,379	3,010	3,179	1,758	2,992
Current Year														
FY 1998														
Budget Year					3,899	17,546	3,872	4,255	3,803	4,211	3,694	4,167	2,637	2,551
FY 1999														
Annual Payments	12,492	\$12,716	13,406	\$13,777	14,353	\$14,771	16,128	\$17,135	12,669	\$14,369	8,430	\$10,944	4,695	\$6,385
Total	16,104	\$25,712	17,857	\$32,863	18,252	\$32,317	16,128	\$17,135	12,669	\$14,369	8,430	\$10,944	4,695	\$6,385

(Amount in Thousands)

PROJECT: ENLISTMENT BONUS

FY 1997 Actual	\$1,636
FY 1998 Estimate	\$1,904
FY 1999 Estimate	\$2,000

PART I - PURPOSE AND SCOPE

An enlistment bonus is authorized by 37 United States Code 308a as an incentive to induce individuals to enlist for a period of at least four years in specific, critical military skills. These skills are characterized by an inadequate number of enlistments to meet accession objectives. The maximum bonus authorized by law is \$12,000; however, the Air Force currently pays a maximum of \$6,000 and requires recipients to enlist for a six year term. The Air Force currently pays the bonus to four skill areas.

PART II - JUSTIFICATION OF FUNDS REQUESTED

An enlistment bonus is currently paid to crypto-linguists, explosive ordnance disposal, combat controllers and pararescue personnel. It is paid upon completion of technical training, thus serving a twofold purpose, that of attracting enlistments and reducing training attrition. Funds are requested based on the number of enlistees required and programmed to enter the designated specialties. In FY 1997 two of the four targeted skills, combat controllers and pararescue personnel, were increased to the Air Force maximum of \$6,000 to help meet programmed requirements.

	FY 1997 Actual		FY 1998 Estimate		FY 1999 Estimate	
	Payments	Average Rate	Payments	Average Rate	Payments	Average Rate
New Payments	0	1,000	0	1,000	0	1,000
Residual:						
	60	1,000	94	1,000	100	1,000
	0	3,000	0	3,000	0	3,000
	364	4,000	394	4,000	400	4,000
	20	6,000	39	6,000	50	6,000
TOTAL	444		527		550	
		\$1,636		\$1,904		\$2,000

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR QUARTERS - ENLISTED

FY 1997 Actual	\$809,257
FY 1998 Estimate	\$201,897
FY 1999 Estimate	\$0

PART I - PURPOSE AND SCOPE

Funds provide payment of basic allowance for quarters authorized under provisions of 37 United States Code Section 403, to enlisted members with or without dependents, partial payments to bachelors in government quarters and to enlisted personnel occupying inadequate family housing under the provisions of 10 United States Code Section 2830.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Basic Allowance for Quarters (BAQ) is determined by multiplying the number of eligible personnel by the statutory rates, by pay grade. The total requirement considers the projected number of sponsor workyears and the projected number of these workyears that will reside in government housing. For inadequate housing, the rate payable is the "with-dependent" rate less the current experienced average rate charge of the fair rental value of the housing unit. BAQ rates are annualized for a pay raise adjustment of 2.8 percent in FY 1998. As part of the Quality of Life Proposal, BAQ rates increased for With and Without Dependents to 4.6 percent in FY 1997. This reduced the BAQ gap which causes members to absorb 19.8 percent of housing costs instead of the Congressional goal of 15 percent. The absorption rate remains the same in FY 1998 and FY 1999.

The first housing privatization initiative begins in FY 1998 with 136 units at Lackland AFB transferring to the private sector. This will increase to 272 units at Lackland AFB and 670 units at Robins AFB in FY 1999. Housing privatization will result in increasing With Dependent BAQ requirements as military members will pay rent for housing previously provided in lieu of housing allowances. Implementation of the private room assignment standard for unaccompanied members will result in increased Without Dependent, Full and decreased Without Dependent, Partial allowances by displacing personnel off base that previously shared a dormitory room. The phase-in schedule will complete E-4 and E-3 private room assignments by the end of FY 1999.

Beginning on January 1 1998, VHA will be combined with BAQ to form the new Basic Allowance for Housing (BAH) entitlement in accordance with the FY 1998 National Defense Authorization Act. Therefore, the estimate includes only three months of BAQ for FY 1998.

The computation of fund requirements is provided by the following tables:

(Amount in Thousands)

BASIC ALLOWANCE FOR QUARTERS - ENLISTED

With Dependents

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Chief Master Sergeant	1,989	7,829.37	15,571	1,971	2,020.66	3,983	0	0.00	0
Senior Master Sergeant	3,823	7,216.97	27,592	3,744	1,862.61	6,974	0	0.00	0
Master Sergeant	18,034	6,700.71	120,841	17,394	1,729.37	30,081	0	0.00	0
Technical Sergeant	19,733	6,191.57	122,181	19,550	1,597.97	31,240	0	0.00	0
Staff Sergeant	31,208	5,568.50	173,784	30,806	1,437.16	44,273	0	0.00	0
Sergeant	21,756	4,842.17	105,348	21,194	1,249.70	26,486	0	0.00	0
Airman First Class	7,042	4,507.49	31,740	6,859	1,163.33	7,979	0	0.00	0
Airman	2,205	4,290.31	9,460	2,220	1,107.27	2,458	0	0.00	0
Airman Basic	1,102	4,290.31	4,726	1,175	1,107.27	1,301	0	0.00	0
Subtotal with Dependents	106,892		\$611,243	104,913		\$154,775	0		\$0

Without Dependents - Full Allowance

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Chief Master Sergeant	292	5,938.78	1,733	195	1,532.73	299	0	0.00	0
Senior Master Sergeant	634	5,451.00	3,455	463	1,406.84	651	0	0.00	0
Master Sergeant	3,725	4,657.03	17,348	2,672	1,201.92	3,212	0	0.00	0
Technical Sergeant	5,599	4,215.54	23,604	4,408	1,087.98	4,796	0	0.00	0
Staff Sergeant	15,849	3,887.98	61,620	13,967	1,003.44	14,015	0	0.00	0
Sergeant	18,475	3,382.40	62,489	18,773	872.96	16,388	0	0.00	0
Airman First Class	5,949	3,318.31	19,740	6,558	856.41	5,616	0	0.00	0
Airman	744	2,695.24	2,005	849	695.61	591	0	0.00	0
Airman Basic	50	2,403.28	120	103	620.26	64	0	0.00	0
Subtotal without Dependents (Full)	51,316		\$192,114	47,988		\$45,632	0		\$0

(Amount in Thousands)

BASIC ALLOWANCE FOR QUARTERS - ENLISTED

Without Dependents - Partial Allowance

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Chief Master Sergeant	7	223.20	2	4	55.80	0	0	0.00	0
Senior Master Sergeant	12	183.60	2	6	45.90	0	0	0.00	0
Master Sergeant	137	144.00	20	58	36.00	2	0	0.00	0
Technical Sergeant	253	118.80	30	132	29.70	4	0	0.00	0
Staff Sergeant	1,714	104.40	179	1,104	26.10	29	0	0.00	0
Sergeant	13,141	97.20	1,277	13,001	24.30	316	0	0.00	0
Airman First Class	23,051	93.60	2,158	23,388	23.40	547	0	0.00	0
Airman	12,730	86.40	1,100	13,844	21.60	299	0	0.00	0
Airman Basic	8,470	82.80	701	10,752	20.70	223	0	0.00	0
Subtotal without Dependents (Partial)	59,514		\$5,469	62,289		\$1,420	0		\$0

Inadequate Family Housing

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Chief Master Sergeant	0	0.00	0	0	0.00	0	0	0.00	0
Senior Master Sergeant	1	1,862.81	2	0	481.01	0	0	0.00	0
Master Sergeant	7	1,733.39	11	0	447.60	0	0	0.00	0
Technical Sergeant	25	1,668.15	42	0	430.75	0	0	0.00	0
Staff Sergeant	69	1,524.98	105	6	393.78	2	0	0.00	0
Sergeant	147	1,369.23	201	141	353.56	50	0	0.00	0
Airman First Class	53	1,262.59	67	51	326.03	17	0	0.00	0
Airman	2	1,128.91	3	2	291.51	1	0	0.00	0
Airman Basic	0	1,069.72	0	0	276.22	0	0	0.00	0
Subtotal Inadequate Family Housing	303		\$431	200		\$70	0		\$0
TOTAL BASIC ALLOWANCE FOR QUARTERS	218,026		\$809,257	215,390		\$201,897	0		\$0

(Amount in Thousands)

PROJECT: VARIABLE HOUSING ALLOWANCE - ENLISTED

FY 1997 Actual	\$192,435
FY 1998 Estimate	\$46,415
FY 1999 Estimate	\$0

PART I - PURPOSE AND SCOPE

Funds provide for payment of Variable Housing Allowance (VHA) authorized under provisions of 37 United States Code Section 403a. VHA is based on pay grade, whether member has dependents, and duty assignment in high cost housing areas in the continental United States, Alaska and Hawaii. A member with dependents who is assigned to an unaccompanied tour of duty outside the United States is entitled to a VHA while serving such a tour of duty for any period during which the member's dependents reside in an area of the United States which would qualify the member to receive a VHA if assigned to duty in that area.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Variable housing allowance, as authorized in the Joint Federal Travel Regulation, is used to partially offset high cost housing in designated areas. It is authorized to members entitled to a basic allowance for quarters (BAQ) to defray housing costs when: (a) government quarters are not assigned or occupied jointly by the member and dependent(s), and (b) the member is assigned to permanent duty station in high housing cost area in the United States. For VHA purposes, high housing cost areas are those locations where the median monthly cost of housing for members in the same grade exceeds 80 percent of the median monthly cost of housing for members in the same grade throughout the continental United States, Alaska and Hawaii. The VHA rate is developed using the latest actuals and inflating using an annualization of the approved inflation rate of 1.4 percent in FY 1998 beginning in January.

The FY 1996 Defense Authorization Act amended subsection (c) (3) of section 403A of title 37, U.S.C. which allows the Services to implement a VHA Rate protection program. This option protects a service member against unexpected lowering of VHA rates while stationed in a particular area. This program started 1 Jan, 1996. VHA locality floor, enacted in FY 1997 (37 USC, 403a), provides a housing allowance floor for members at 85% of housing and Urban Development Fair Market Rents (FMR).

The first housing privatization initiative begins in FY 1998 with 136 units at Lackland AFB transferring to the private sector. This will increase to 272 units at Lackland AFB and 670 units at Robins AFB in FY 1999. Housing privatization will result in increasing VHA requirements as military members will pay rent for housing previously provided in lieu of housing allowances. Implementation of the private room assignment standard for unaccompanied members also increases VHA requirements by displacing personnel off base that previously shared a dormitory room. The phase-in schedule will complete E-4 and E-3 private room assignments by the end of FY 1999.

Beginning on January 1 1998, VHA will be combined with BAQ to form the new Basic Allowance for Housing (BAH) entitlement in accordance with the FY 1998 National Defense Authorization Act. Therefore, the estimate includes only three months of VHA for FY 1998.

The computation of requirements is provided in the following table:

(Amount in Thousands)

VARIABLE HOUSING ALLOWANCE - ENLISTED

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
Chief Master Sergeant	2,119	2,296.20	4,865	2,002	580.08	1,161	0	0.00	0
Senior Master Sergeant	4,044	2,142.48	8,665	3,792	541.24	2,052	0	0.00	0
Master Sergeant	19,789	1,934.16	38,275	17,992	488.62	8,791	0	0.00	0
Technical Sergeant	22,418	1,592.76	35,707	20,946	402.37	8,428	0	0.00	0
Staff Sergeant	40,828	1,321.80	53,966	38,512	333.92	12,860	0	0.00	0
Sergeant	33,239	1,111.08	36,931	34,861	280.69	9,785	0	0.00	0
Airman First Class	12,753	846.72	10,798	12,186	213.90	2,607	0	0.00	0
Airman	2,983	900.00	2,685	2,810	227.36	639	0	0.00	0
Airman Basic	1,880	288.84	543	1,260	72.97	92	0	0.00	0
HOUSING ALLOWANCE	140,052		\$192,435	134,361		\$46,415	0		\$0

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR HOUSING - ENLISTED

	FY 1997 Actual	\$0
	FY 1998 Estimate	\$745,898
	FY 1999 Estimate	\$1,008,454

PART 1 - PURPOSE AND SCOPE

In the FY 1998 National Defense Authorization Act, Congress approved the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ) and variable housing allowance (VHA). Payment to service members is authorized by revisions to 37 USC 403.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The FY 1998 amount for BAH reflects the 1 January 98 start date for BAH and includes a 2.5 percent increase which is the composite of the 2.8 percent rate applicable to BAQ and the 1.4 percent applicable to VHA. The FY 1999 amount reflects a full year's cost and includes a 2.8 percent increase. This increase is the estimated housing rate increase that will result from the contractor generated surveys of actual housing costs which will be completed during 1998.

The computation of requirements is provided in the following table:

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING - ENLISTED

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
<u>With Dependents</u>									
Grade									
Chief Master Sergeant	0	0.00	0	1,971	7,714.62	15,206	1,953	10,563.29	20,630
Senior Master Sergeant	0	0.00	0	3,744	7,101.19	26,587	3,658	9,723.51	35,569
Master Sergeant	0	0.00	0	17,394	6,562.73	114,152	16,365	8,986.71	147,068
Technical Sergeant	0	0.00	0	19,550	5,919.21	115,721	19,997	8,107.86	162,133
Staff Sergeant	0	0.00	0	30,806	5,250.75	161,755	29,539	7,193.46	212,488
Sergeant	0	0.00	0	21,194	4,482.36	94,999	21,571	6,142.20	132,493
Airman First Class	0	0.00	0	6,859	4,197.20	28,789	6,456	5,751.02	37,129
Airman	0	0.00	0	2,220	3,993.71	8,866	2,221	5,472.22	12,154
Airman Basic	0	0.00	0	1,175	3,655.24	4,295	1,177	5,014.26	5,902
Subtotal With Dependents	0		\$0	104,913		\$570,370	102,937		\$765,566
<u>Without Dependents</u>									
Grade									
Chief Master Sergeant	0	0.00	0	195	5,969.14	1,164	196	8,171.38	1,602
Senior Master Sergeant	0	0.00	0	463	5,452.89	2,525	467	7,465.07	3,486
Master Sergeant	0	0.00	0	2,672	4,654.71	12,437	2,550	6,372.42	16,250
Technical Sergeant	0	0.00	0	4,408	4,131.28	18,211	4,819	5,657.14	27,262
Staff Sergeant	0	0.00	0	13,967	3,741.53	52,258	14,396	5,124.57	73,773
Sergeant	0	0.00	0	18,773	3,270.45	61,396	19,230	4,479.09	86,133
Airman First Class	0	0.00	0	6,558	3,107.79	20,381	5,935	4,257.99	25,271
Airman	0	0.00	0	849	2,830.37	2,403	849	3,872.66	3,288
Airman Basic	0	0.00	0	103	2,749.29	283	53	3,758.28	199
Subtotal Without Dependents	0		\$0	47,988		\$171,058	48,495		\$237,264

(Amount in Thousands)

BASIC ALLOWANCE FOR HOUSING - ENLISTED

Without Dependents - Partial Allowance

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
Chief Master Sergeant	0	0.00	0	4	167.40	1	0	223.20	0
Senior Master Sergeant	0	0.00	0	6	137.70	1	0	183.60	0
Master Sergeant	0	0.00	0	58	108.00	6	0	144.00	0
Technical Sergeant	0	0.00	0	132	89.10	12	0	118.80	0
Staff Sergeant	0	0.00	0	1,104	78.30	86	0	104.40	0
Sergeant	0	0.00	0	13,001	72.90	948	13,821	97.20	1,343
Airman First Class	0	0.00	0	23,388	70.20	1,642	22,223	93.60	2,080
Airman	0	0.00	0	13,844	64.80	897	13,848	86.40	1,196
Airman Basic	0	0.00	0	10,752	62.10	668	10,805	82.80	895
Subtotal With Dependents	0		\$0	62,289		\$4,261	60,697		\$5,514

Inadequate Family Housing

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Rate	Amount	Workyears	Rate	Amount	Workyears	Rate	Amount
Chief Master Sergeant	0	0.00	0	0	0.00	0	0	0.00	0
Senior Master Sergeant	0	0.00	0	0	1,443.04	0	0	1,982.29	0
Master Sergeant	0	0.00	0	0	1,342.79	0	0	1,844.57	0
Technical Sergeant	0	0.00	0	0	1,292.25	0	0	1,775.15	0
Staff Sergeant	0	0.00	0	6	1,181.34	7	0	1,622.79	0
Sergeant	0	0.00	0	141	1,060.69	150	30	1,457.05	44
Airman First Class	0	0.00	0	51	978.08	50	48	1,343.57	64
Airman	0	0.00	0	2	874.52	2	2	1,201.31	2
Airman Basic	0	0.00	0	0	828.66	0	0	1,138.33	0
Subtotal Without Dependents	0		\$0	200		\$209	80		\$110
TOTAL BASIC ALLOWANCE FOR HOUSING	0		\$0	215,390		\$745,898	212,209		\$1,008,454

(Amount in Thousands)

PROJECT: STATION ALLOWANCES, OVERSEAS - ENLISTED

FY 1997 Actual	\$319,793
FY 1998 Estimate	\$302,054
FY 1999 Estimate	\$278,127

PART I - PURPOSE AND SCOPE

Funds provide payment of a per diem allowance to enlisted personnel on duty outside the continental United States. The station allowance considers all elements of the cost of living, including quarters, subsistence and other necessary incidental expenses as prescribed by Joint Travel Regulation and authorized under the provisions of 37 United States Code 403 and 405.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Station Allowances, Overseas consists of: (a) cost of living allowance (COLA), (b) overseas housing allowance (OHA), (c) temporary lodging allowance (TLA), and (d) moving-in housing allowance (MIHA). COLA and OHA rates for FY 1997 reflect actuals; COLA and OHA for FY 1998 reflect the foreign currency rate of exchange in effect as of 1 March 1997; and FY 1999 reflects the anticipated reduction in rates identified by OSD based on current trends. OHA consists of the difference between the basic allowance for quarters (BAQ) and the applicable housing costs in the overseas area where members are stationed. TLA covers the off-base housing (hotels) costs for military members permanently relocating in or out of an overseas location. MIHA is intended to offset initial costs such as rent deposits, electrical current transformers an other overseas unique initial housing costs. The number of personnel entitled to an overseas station allowance is based on historical data adjusted for known changes in each type of allowance. Beginning in FY 1997 the Military Personnel appropriation rejoined the Foreign Currency Fluctuation Account (Defense).

The workyears for cost of living allowance, housing allowance, temporary lodging allowance, and moving-in allowance are based on authorized overseas strengths for each fiscal year.

(Amount in Thousands)

STATION ALLOWANCES, OVERSEAS - ENLISTED

Cost of Living Allowance

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
Chief Master Sergeant	610	4,941.84	3,015	610	4,725.60	2,883	612	4,260.36	2,607
Senior Master Sergeant	1,305	4,560.60	5,952	1,311	4,343.88	5,695	1,315	3,916.20	5,150
Master Sergeant	6,637	4,260.24	28,275	6,564	4,050.84	26,590	6,588	3,651.96	24,059
Technical Sergeant	8,718	3,813.00	33,242	8,467	3,639.72	30,818	8,497	3,281.40	27,882
Staff Sergeant	17,997	3,367.92	60,612	18,035	3,209.88	57,890	18,098	2,893.80	52,372
Sergeant	18,597	2,454.60	45,648	18,563	2,319.36	43,054	18,628	2,091.00	38,951
Airman First Class	7,518	1,998.36	15,024	7,542	1,862.16	14,044	7,568	1,678.80	12,705
Airman	2,862	1,684.08	4,820	2,938	1,574.04	4,625	2,948	1,419.12	4,184
Airman Basic	353	1,318.80	466	383	1,010.64	387	385	911.16	351
Subtotal Cost of Living	64,597		\$197,054	64,413		\$185,986	64,639		\$168,261

(Amount in Thousands)

STATION ALLOWANCES, OVERSEAS - ENLISTED

Housing Allowance

<u>Grade</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>	<u>Workyears</u>	<u>Average Rate</u>	<u>Amount</u>
Chief Master Sergeant	162	5,811.60	941	162	5,535.72	897	163	4,990.68	813
Senior Master Sergeant	409	4,485.72	1,835	411	3,922.80	1,612	412	3,536.64	1,457
Master Sergeant	2,077	4,640.16	9,638	2,054	4,177.32	8,580	2,062	3,766.08	7,766
Technical Sergeant	3,077	4,611.84	14,191	2,988	4,220.16	12,610	2,999	3,804.72	11,410
Staff Sergeant	6,203	4,512.24	27,989	6,216	4,171.80	25,932	6,238	3,761.04	23,461
Sergeant	5,075	4,207.08	21,351	5,066	3,944.40	19,982	5,083	3,556.08	18,076
Airman First Class	1,214	4,572.48	5,551	1,218	4,184.76	5,097	1,222	3,772.80	4,610
Airman	249	5,731.80	1,427	256	5,429.64	1,390	257	4,895.04	1,258
Airman Basic	16	4,859.76	78	17	3,441.72	59	17	3,102.84	53
Subtotal Housing Allowance	18,482		\$83,001	18,388		\$76,159	18,453		\$68,904

	<u>Average</u>			<u>Average</u>			<u>Average</u>		
	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>
<u>Temporary Lodging Allowance</u>	68,694	481.44	\$33,072	67,631	489.02	\$33,073	68,304	496.23	\$33,895
<u>Moving-In Housing Allowance</u>	11,771	566.29	\$6,666	11,736	582.43	\$6,836	11,778	600.05	\$7,067
TOTAL STATION ALLOWANCES, OVERSEAS			\$319,793			\$302,054			\$278,127

(Amount in Thousands)

PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA) - ENLISTED

FY 1997 Actual	\$486
FY 1998 Estimate	\$481
FY 1999 Estimate	\$483

PART I - PURPOSE AND SCOPE

Congress approved in the Fiscal Year 1995 DoD Authorization Act the payment of a COLA to soldiers assigned to high cost areas in CONUS.

PART II - JUSTIFICATION OF FUNDS REQUESTED

As part of the DoD Quality of Life Initiatives, high cost areas are grouped as Military Housing Areas (MHA) where the cost of goods and services exceeds 108 percent of the national cost of living average. Computation of program cost is the product of military member by grade and dependency status, the number of members assigned to a designated high-cost area of CONUS, and the percent by which an area's cost of non-housing goods and services exceeds 108 percent of the national cost of living.

Details of the computation are shown below:

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
CONUS COLA	1,397	347.88	\$486	1,368	351.53	\$481	1,355	356.72	\$483

(Amount in Thousands)

PROJECT: CLOTHING ALLOWANCES - ENLISTED

FY 1997 Actual	\$99,295
FY 1998 Estimate	\$117,383
FY 1999 Estimate	\$121,663

PART I - PURPOSE AND SCOPE

Funds provide payment to enlisted personnel for prescribed clothing, authorized by the Secretary of Defense under the provisions of U.S.C. 418. This project includes:

- (1) Initial clothing allowances upon enlistment,
- (2) Civilian clothing allowances when authorized,
- (3) Basic replacement allowance payable to a member upon completion of six months active duty for the remainder of the first three years of continuous service,
- (4) Standard replacement allowance payable to a member upon completion of 36 months of active duty through the remainder of active duty, and
- (5) Supplemental clothing allowances for personnel assigned to special organizations or details where the nature of duties require additional items of individual uniform clothing.

Both basic and standard replacement allowances are cash payments. Effective October 1, 1985, all replacement allowances are paid annually.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Initial clothing allowances are based on programmed numbers by type of accession. The rates prescribed by the Secretary of Defense are used each fiscal year. Rate increases from FY 1997 to FY 1998 are due to price increases of individual clothing items and the addition of the physical fitness uniform to the clothing bag issued to new recruits at basic training. A proposed revision to DoDI 1338.18 redesigns the payment standards for the civilian clothing allowance system beginning in CY 1998. The new system will pay a lower initial allowance at the start of the tour followed by an annual replacement (continuing) allowance as long as the member remains in a qualifying assignment. Previous policy authorized one lump-sum payment at the start of the tour. The type of clothing maintenance allowance paid is determined by the average longevity of the enlisted force. The number of supplemental allowance payments will increase in FY 1998 when the Air Force aligns itself with DoD policy that authorizes annual payment of the allowance to members continuing in a prescribed duty. Previous AF policy authorized a one-time payment of the supplemental allowance.

The computation of requirements is provided in the following table:

(Amount in Thousands)

CLOTHING ALLOWANCES - ENLISTED

<u>Initial Allowances</u>	<u>FY 1997 Actual</u>			<u>FY 1998 Estimate</u>			<u>FY 1999 Estimate</u>		
	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>
<u>Military Clothing</u>									
Civilian Life (Male)	21,868	833.33	18,223	22,820	972.95	22,203	23,966	987.54	23,667
Civilian Life (Female)	8,484	1,007.02	8,544	8,630	1,165.70	10,060	9,184	1,183.19	10,866
Officer Tng School (Male)	228	709.35	162	385	752.40	290	860	763.69	657
Officer Tng School (Female)	49	901.39	44	63	964.45	61	152	978.92	149
AF Academy Prep (Male)	201	761.49	153	200	801.30	160	200	813.32	163
AF Academy Prep (Female)	35	978.48	34	50	827.70	41	50	840.12	42
Subtotal	30,865		27,160	32,148		32,815	34,412		35,544
Less Basic Military Training Attrition			(2,508)			(2,923)			(3,170)
Subtotal Military Clothing			\$24,652			\$29,892			\$32,374
<u>Civilian Clothing</u>									
Initial	1,150	1,025.16	1,179	1,126	814.40	917	1,115	826.62	922
Continuing	326	610.90	199	319	252.00	80	1,296	255.78	331
TDY	971	404.46	393	980	465.22	456	972	472.19	459
Subtotal Civilian Clothing			\$1,771			\$1,453			\$1,712
TOTAL INITIAL ALLOWANCES			\$26,423			\$31,345			\$34,086

(Amount in Thousands)

CLOTHING ALLOWANCES - ENLISTED

<u>Maintenance Allowance</u>	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Payments	Rate	Statutory	Payments	Rate	Statutory	Payments	Rate	Statutory
Basic Maintenance Allowance									
<u>Military Clothing</u>									
Airmen (Male)	58,321	144.84		60,860	201.60		63,916	204.62	
Airmen (Female)	18,402	161.17		18,719	226.80		19,920	230.20	
Subtotal			\$11,413			\$16,514			\$17,665
Standard Maintenance Allowance									
<u>Military Clothing (37th Month)</u>									
Airmen (Male)	202,952	248.78	50,490	198,639	288.00	57,208	196,788	292.32	57,525
Airmen (Female)	35,249	284.50	10,028	34,500	324.00	11,178	34,178	328.86	11,240
Subtotal			\$60,518			\$68,386			\$68,765
Supplemental Maint. Allow.	4,672	201.44	\$941	5,573	204.26	\$1,138	5,530	207.33	\$1,147
TOTAL CLOTHING ALLOWANCE			\$99,295			\$117,383			\$121,663

(Amount in Thousands)

PROJECT: FAMILY SEPARATION ALLOWANCES - ENLISTED

FY 1997 Actual	\$13,525
FY 1998 Estimate	\$17,058
FY 1999 Estimate	\$15,562

PART I - PURPOSE AND SCOPE

Under the provision of 37 United States Code 427, family separation allowance (FSA) payments are made to enlisted personnel with dependents to compensate for added expenses incurred because of forced separation from dependents when:

- (1) Travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in the continental United States (CONUS) for his family and one overseas.
- (2) When a member with dependents makes a permanent change of station or is on temporary duty travel for 30 days or more either in CONUS or overseas and the travel of dependents to his duty station is not authorized and dependents do not reside at or near the duty station.

The FY 1998 NDAA increased the Family Separation Allowance Type II rate from \$75 to \$100 per month.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Allowances for family separation payments are determined by multiplying the number of personnel eligible for each type of family separation allowance by the applicable statutory rate. This project is impacted by national defense efforts such as Southwest Asia and Bosnia contingencies which increased requirements.

Details of the cost computation are provided in the following tables:

(Amount in Thousands)

FAMILY SEPARATION ALLOWANCES - ENLISTED

PCS Overseas with Dependents not Authorized and Maintain Two Homes

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount	Workyears	Statutory Rate	Amount
Chief Master Sergeant	14	5,938.78	83	14	6,130.90	86	14	6,316.46	88
Senior Master Sergeant	34	5,451.00	185	33	5,627.34	186	33	5,797.66	191
Master Sergeant	115	4,657.03	536	111	4,807.68	534	104	4,953.19	515
Technical Sergeant	175	4,215.54	738	173	4,351.91	753	184	4,483.62	825
Staff Sergeant	206	3,887.98	801	201	4,013.76	807	192	4,135.23	794
Sergeant	72	3,382.40	244	70	3,491.82	244	72	3,597.50	259
Airman First Class	7	3,318.31	23	7	3,425.66	24	6	3,529.34	21
Airman	2	2,695.24	5	2	2,782.43	6	2	2,866.64	6
Airman Basic	2	2,403.28	5	2	2,481.03	5	2	2,556.12	5
Subtotal	627		\$2,620	613		\$2,645	609		\$2,704

PCS CONUS or Overseas with dependents not authorized

4,962	900.00	\$4,466	4,857	1,200.00	\$5,828	4,811	1,200.00	\$5,773
-------	--------	---------	-------	----------	---------	-------	----------	---------

TDY CONUS or Overseas for more than 30 days with dependents not residing near TDY station

7,154	900.00	\$6,439	7,154	1,200.00	\$8,585	5,904	1,200.00	\$7,085
-------	--------	---------	-------	----------	---------	-------	----------	---------

TOTAL FAMILY SEPARATION ALLOWANCE

		\$13,525			\$17,058			\$15,562
--	--	----------	--	--	----------	--	--	----------

(Amount in Thousands)

PROJECT: SEPARATION PAYMENTS - ENLISTED

FY 1997 Actual \$79,437

FY 1998 Estimate

\$81,876

FY 1999 Estimate

\$66,262

PART I - PURPOSE AND SCOPE

Funds provide payment to enlisted personnel for:

- (1) Lump sum terminal leave (LSTL) payments for unused accrued leave at time of discharge, reenlistment or death under provisions of 10 United States Code 501.
- (2) Severance pay to members separated for physical disability under provisions of 10 United States Code 1212.
- (3) Donations for discharge under certain conditions under the provisions of 10 United States Code 1048.
- (4) Separation Pay for discharge under provisions of 10 United States Code 1174 as amended.
- (5) Voluntary Separation Incentive and Special Separation Benefits programs under the provision of United States Code 1775 and 1774a.
- (6) Early Retirement under provisions of 10 United States Code 8911, 8914 as amended.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Lump sum terminal leave is accrued leave earned by an active duty member. Payments are paid to members to compensate for the accrued leave at the time of retirement or separation. Also, members reenlisting on their date of separation have the option to receive pay for all or a portion of their accrued leave. The total requirement for separation payments is determined by multiplying the projected number of payments by the estimated average cost per payment. For leave accumulated prior to September 1976 and retained throughout a member's career, payments include basic pay, \$1.25 per day quarters allowance to members in pay grade E-5 through E-9 with dependents, and \$.70 per day to all members for subsistence. For leave accumulated after September 1, 1976, the rate payable is basic pay only. Leave payments will not exceed a career total of 60 days. Severance pay for disability is computed at two months basic pay at the grade held at time of discharge multiplied by the number of years active service, but not more than 12 years. In addition, Title 10, Section 1174 of the United States Code was amended to authorize payment of separation pay to Enlisted members who are discharged involuntarily or denied reenlistment who have completed six or more, but less than 20 years of active service immediately before that discharge. Enlisted separation pay is calculated as follows: 12 x monthly base pay x # years service x 10 percent.

The FY 1992 Defense Authorization Act approved two voluntary separation pay programs for implementation during the force drawdown. The programs apply to both officer and enlisted members who have more than six and less than 20 years of service. The first is the Voluntary Separations Incentive (VSI) Program, and the second is the Special Separation Benefit (SSB) program. VSI payments are calculated as follows: annual base pay x 2.5 percent x # years of service with annuity payments for twice the years of service. SSB payments are calculated as follows: annual base pay x 15 percent x # years of service. These programs will be used to reduce involuntary separations and will be offered to members in overage specialties to facilitate force shaping requirements during the drawdown. Currently, we do not anticipate any requirements for VSI and SSB in FY 1998 or FY 1999.

The FY 1993 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The early retirement program is necessary to shape the 15-20 year segment of the force. It will assist the services in achieving drawdown goals of maintaining readiness while ensuring the equitable treatment of the members. The criteria for early retirement will include such factors as grade, years of service, and skill, with a focus on the population where the inventory exceeds requirements. Members approved for early retirement will receive the same benefits as individuals with 20 or more years of service. However, their retired pay will be reduced by one percent for each year that they are short of 20 years of active duty. The early retirement amount is the product of 2.5 percent x the years of service x basic pay x reduction factor. For members who leave under the early retirement program the Air Force is required to establish a subaccount with the Military Personnel Appropriation to fund all early retirement payments up front which will cover the entire initial period. The period is the difference between 20 years and the number of years completed by the member. Currently, we do not anticipate any requirement for early retirement in FY 1998 or FY 1999. The authority to use the early retirement benefit terminates on 1 Oct 1999.

(Amount in Thousands)

SEPARATION PAYMENTS - ENLISTED

Lump Sum Terminal Leave Payments

Grade	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Payments	Days	Average Rate	Payments	Days	Average Rate	Payments	Days	Average Rate
Chief Master Sergeant	280	15.6	1,682.16	471	15.6	1,717.09	510	15.6	1,793.31
Senior Master Sergeant	631	14.6	1,294.50	817	14.6	1,314.73	882	14.6	1,386.30
Master Sergeant	3,422	15.5	1,167.23	3,994	15.5	1,182.20	4,278	15.5	1,255.43
Technical Sergeant	2,869	17.9	1,152.01	3,305	17.9	1,168.29	3,500	17.9	1,245.21
Staff Sergeant	5,302	21.2	1,143.30	6,062	21.2	1,185.48	6,083	21.2	1,251.88
Sergeant	13,172	12.5	539.20	7,102	12.5	558.30	6,484	12.5	579.18
Airman First Class	3,135	16.4	577.88	1,812	16.4	590.80	1,618	16.4	608.63
Airman	1,550	16.7	551.52	855	16.7	563.03	761	16.7	580.05
Airman Basic	1,732	15.7	427.81	741	15.7	436.78	660	15.7	449.99
Subtotal LSTL	32,093			\$25,159			\$24,776		
				29,928			28,931		
									\$25,168

Separation Pay

Disability	575	14,537.55	8,359	575	14,944.60	8,593	575	15,407.88	8,860
Severance Pay, Non Disability									
Invol-Half Pay 5%	355	8,130.68	2,886	500	8,358.34	4,179	500	8,617.45	4,309
Invol-Full Pay 10%	1,923	16,074.66	30,912	1,949	16,524.75	32,207	1,045	17,037.02	17,804
SSB									
VSI									
VSI Trust Fund*			12,121			12,121			10,121
15 Year Retirement			0			0			0
Subtotal Separation Pay			\$54,278			\$57,100			\$41,094
			\$79,437			\$81,876			\$66,262
TOTAL SEPARATION PAYMENTS									

(Amount in Thousands)

PROJECT: SOCIAL SECURITY TAX (EMPLOYER'S CONTRIBUTION) - ENLISTED

FY 1997 Actual	\$503,942
FY 1998 Estimate	\$503,767
FY 1999 Estimate	\$508,263

PART I - PURPOSE AND SCOPE

Funds represent the Air Force contribution (as an employer) as required by the Federal Insurance Contribution Act (FICA) under provisions of 26 U.S.C. 3101, and 3111.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Social Security costs are based on the percentage rates set by law on a member's salary for a calendar year. P.L. 98-21, "Social Security Amendment of 1983" dated 20 April 1983 establishes the tax rate while the maximum taxable income is determined by the Social Security Administration. The Old Age, Survivor and Disability Insurance (OASDI) rate is 6.2 percent and the Hospital Insurance (HI) is 1.45 percent. There is no wage cap on the 1.45 percent medical contribution. The Government's contribution is based on the percentage rate set by law on member's salary for a calendar year. Taxable income ceiling for OASDI are as follows:

Calendar Year 1997 - 7.65% on first \$65,400
Calendar Year 1998 - 7.65% on first \$68,100
Calendar Year 1999 - 7.65% on first \$71,100

Funding for FY 1994, FY 1995, FY 1996, and FY 1997 includes employer's contribution to Social Security for which military members receive wage credit but no social security tax (i.e., quarters and subsistence allowances). DoD makes direct payments to the Social Security Trust Funds based on Health and Human Services (HHS) estimates to cover the cost of these additional credits.

Details of the computations are shown below:

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
Enlisted	306,261	1,428.59	437,521	299,752	1,469.14	440,379	296,959	1,507.53	447,675
Wage Credit			66,421			63,388			60,588
TOTAL SOCIAL SECURITY TAX			\$503,942			\$503,767			\$508,263

PAY & ALLOWANCES OF CADETS

MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)

3. Pay and Allowances of Cadets

FY 1998 Direct Program \$34,868

Increases:

Subsistence 161

- Increase in rate (\$5.15 to \$5.25) 163

- Decrease in workyears -2

Full funding of Foreign National Students 1,000

Total Increases 1,161

Decreases:

Social Security (FICA) -1

Basic Pay -7

- Decrease in workyears -7

Total Decreases -8

FY 1999 Direct Program \$36,021

(Amount in Thousands)

PROJECT: ACADEMY CADETS

FY 1997 Actual	\$35,739
FY 1998 Estimate	\$34,868
FY 1999 Estimate	\$36,021

PART I - PURPOSE AND SCOPE

The funds requested are (a) for basic pay, commuted rations allowance, and employer's share of FICA tax for cadets appointed to the United States Air Force Academy under the provisions of 37 U.S.C. 201, 203, and 422 and the Federal Insurance Contributions Act; and (b) for the difference between the value of the commuted ration allowance and the cost of operational rations.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Requirements are determined by applying statutory rates to the projected workyears. The FY 1999 program is based on a beginning strength of 4,000 and end strength of 4,000. The cadet end strength is 4,000 for each of the years FY 1997 through FY 1999. Subsistence rates are: \$5.03 per day for FY 1997, \$5.15 per day for FY 1998, and \$5.25 per day for FY 1999. The FY 1998 Defense Appropriation Act reduced funding for the Cadet Program by \$1M to restrict the number of foreign students attending the Academy under cost waiver authority granted by the Secretary of Defense. Current law requires the foreign cadet reimbursements be deposited as a general fund receipt to the U.S. Treasury and not as a credit to the Military Personnel Appropriation. Accordingly, we anticipate funds will be realigned from other Air Force programs during the year of execution to cover this shortfall.

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount	Workyears	Average Rate	Amount
<u>Basic Pay</u>	3,951	6,696.48	\$26,458	3,948	6,696.48	\$26,438	3,947	6,696.48	\$26,431
<u>Subsistence</u>	3,951	1,835.95	\$7,257	3,948	1,879.75	\$7,407	3,947	1,916.25	\$7,568
<u>Social Security Tax</u>			\$2,024			\$2,023			\$2,022
Total Academy Cadets			\$35,739			\$35,868			\$36,021
Congr Reduction for Foreign Students						-\$1,000			
Adjusted Cadet Total			\$35,739			\$34,868			\$36,021

SUBSISTENCE OF ENLISTED PERSONNEL

MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)

4. Subsistence of Enlisted Personnel

FY 1998 Direct Program			\$748,678
<u>Increases:</u>			
Reimbursements	8,735		
- Decrease in reimbursements causes increase in direct program	8,735		
Basic Allowance for Subsistence (BAS)	6,558		
- Increase in Partial BAS rate	6,161		
- 1 Jan 99 1.0% BAS raise	5,008		
- Annualization of 1 Jan 98 1.0% BAS raise	1,665		
- Decrease in workyears	-6,276		
Subsistence-In-Kind (SIK)	5,041		
- Increase in Operational Rations served	8,405		
- Increase for inflation (1.5 percent)	1,154		
- Decrease in meals served (Subsistence in Mess, Special Rations, Augmentation Rations)	-4,518		
Total Increases		20,334	
FY 1999 Direct Program			\$769,012

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE

FY 1997 Actual	\$676,990
FY 1998 Estimate	\$676,550
FY 1999 Estimate	\$683,108

PART I - PURPOSE AND SCOPE

Funds provide for the payment of subsistence allowances to active duty enlisted personnel under the provisions of 37 U.S.C. 402. Included are allowances when (1) individual is authorized to mess separately; (2) individual is in leave status; (3) rations-in-kind are not available; (4) individual is assigned under emergency conditions where government messing facilities are not available; and (5) augmentation of subsistence allowance for meals taken separately is authorized (P.L. 253-84 Th. Congress).

PART II - JUSTIFICATION OF FUNDS REQUESTED

The requirement is based on the average number of enlisted personnel entitled to receive several types of allowances. Distribution of personnel in the various categories is developed on the basis of actual experience which indicates that approximately 82 percent of enlisted personnel draw basic allowance for subsistence (BAS) in lieu of subsisting in Air Force dining halls.

The requirement includes the following rate increase assumptions: 3.0 percent effective 1 Jan 1997; 1.0 percent effective 1 Jan 1998; and 1.0 percent effective 1 Jan 1999.

Beginning 1 Jan 1998, BAS reform initiated a Partial BAS payment. Partial BAS is a cost neutral effort to eventually compensate enlisted members receiving subsistence-in-kind to the same level as enlisted members receiving BAS. BAS reform limits the growth of BAS to one percent per year in order to allow the Department to fund Partial BAS with the difference between the annual Basic Pay raise and the reduced BAS pay raise. Projected food cost growth will allow the U.S. Department of Agriculture (USDA) food plans to catch-up with the BAS payment in approximately five years at which time all enlisted personnel will be entitled to a full BAS payment.

(Amount in Thousands)

BASIC ALLOWANCE FOR SUBSISTENCE

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>	<u>Payments</u>	<u>Rate</u>	<u>Amount</u>
<u>When Authorized to</u>									
<u>Mess Separately</u>	204,863	2,667.24	546,418	200,509	2,706.55	542,687	198,641	2,733.61	543,007
<u>Leave Rations</u>	26,890	2,667.24	71,723	26,319	2,706.55	71,233	26,074	2,733.61	71,275
<u>When Rations-In-Kind</u>									
<u>Not Available</u>	16,044	3,007.60	48,253	15,703	3,052.22	47,928	15,557	3,082.74	47,957
<u>Augmentation of Commuted</u>									
<u>Rations Allowance for</u>									
<u>Meals Taken Separately</u>	3,933	2,694.17	10,596	3,849	2,725.57	10,492	3,814	2,752.83	10,498
<u>Partial BAS</u>	0	0.00	0	49,743	84.63	4,210	49,050	211.43	10,371
Total	251,730		\$676,990	296,123		\$676,550	293,134		\$683,108

(Amount in Thousands)

PROJECT - SUBSISTENCE-IN-KIND

	FY 1997 Actual	\$110,803
FY 1998 Estimate		\$106,912
FY 1999 Estimate		\$111,955

PART I - PURPOSE AND SCOPE

The Subsistence-In-Kind (SIK) account provides subsistence items furnished to active duty enlisted personnel when they do not receive an allowance for subsistence. Funds requested also provide for special rations, operational rations, augmentation rations, testing of new food items, and payment for meals furnished under contract at commercial facilities where the payment of the commuted ration would create an individual hardship or the costs of the establishment of a government mess facility are prohibitive. In FY 1997, funding for SIK transferred from O&M to the Military Personnel Appropriation.

PART II - JUSTIFICATION OF FUNDS REQUESTED

SIK costs for active duty enlisted personnel not receiving an allowance for subsistence is computed by multiplying the basic daily food allowance (BDFA) by the estimated number of users. The BDFA, which represents the cost of meals for one person for one day, is based on actual experience. Funding requirements include an inflationary adjustment of 1.4 percent in FY1998 and 1.5 percent in FY 1999. Other SIK elements are computed at the contract rate per unit.

Defense Personnel Support Center (DPSC) surcharges increased substantially since FY 1996 creating significant unfunded costs in the FY 1997 and FY 1998 SIK budgets. Air Force has absorbed these increases by deferring the purchase of operational replacement rations wherever possible. FY 1999 operational ration increases are directly attributable to the backlog of requirements caused by this action.

Force Structure Summary

	FY 1997	FY 1998	FY 1999
Subsistence-in-Kind			
Average Enlisted Strength	306,261	299,752	296,959
Members Receiving BAS	251,730	246,380	244,084
Total Enlisted Eligible to be Subsisted	54,531	53,372	52,875
Total Enlisted Electing to be Subsisted	35,881	35,118	33,226
Others to be Subsisted	3,587	3,511	3,478
Total to be Subsisted	39,468	38,629	36,704

(Amount in Thousands)

SUBSISTENCE-IN-KIND

Subsistence in Mess

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Daily Rate	Annual Rate	Number	Daily Rate	Annual Rate	Number	Daily Rate	Annual Rate
CONUS									
Air Force	26,045	5.92	2,160.80	25,491	6.00	2,190.00	25,254	6.09	2,222.85
Others	3,023	5.92	2,160.80	2,959	6.00	2,190.00	2,931	6.09	2,222.85
Overseas									
Air Force	9,836	6.82	2,489.30	9,627	6.92	2,525.80	7,972	7.02	2,562.30
Others	564	6.82	2,489.30	552	6.92	2,525.80	547	7.02	2,562.30
Subtotal Subsistence in Mess	39,468			38,629			36,704		
									\$84,480
<u>Special Rations</u>									
CONUS									
Overseas	2,287,762	2.54	5,811	2,239,140	2.58	5,777	2,218,276	2.61	5,790
	980,674	3.48	3,413	959,832	3.53	3,388	950,888	3.58	3,404
Subtotal Special Rations	3,268,436			3,198,972			3,169,164		\$9,194
<u>Operational Rations</u>									
Meals Ready to Eat - Cases	119,773	76.76	9,194	83,546	77.83	6,502	92,684	79.00	7,322
Cold Weather Ration - Cases	979	83.89	82	979	85.06	83	979	86.34	85
B Rations (Meals)			300			0			7,683
Misc (Tray Pack/Food Packets)			100			100			100
Subtotal Operational Rations			\$9,676			\$6,685	93,663		\$15,190

(Amount in thousands)

SUBSISTENCE-IN-KIND	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Augmentation Rations									
Supplemental	289,941	5.92	1,716	289,941	6.00	1,740	289,941	6.09	1,766
Missile Crew	221,796	4.91	1,089	221,796	4.98	1,105	221,796	5.05	1,120
Combat Alert	54,462	3.65	199	54,462	3.70	202	54,462	3.76	205
Subtotal Augmentation Rations			\$3,004			\$3,047			\$3,091
Total SIK			\$110,603			\$106,912			\$111,955

PERMANENT CHANGE OF STATION TRAVEL

SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)

5. Permanent Change of Station Travel	
FY 1998 Direct Program	\$872,160
Increases:	
Inflation	13,082
Airlift Rate Increases	6,500
Program/Move Changes	5,245
- Increase in number of training, unit, operational, and TERA separation moves	
Entitlement changes	3,563
- Do-It-Yourself (DITY) move reimbursement increase from 80% to 95% (Effective 1 Feb 98)	
1 Jan 99 3.1% percent DLA Increase	2,226
Reimbursements	82
- Reduction in moves to support agencies	
Total Increases	30,698
Decreases:	
Program/Move Changes	-12,200
- Decrease in number of accession, rotational, and separation moves	
Total Decreases	-12,200
FY 1999 Direct Program	890,658

PURPOSE AND SCOPE

For expenses incident to permanent change of station (PCS) travel of military personnel either individually or as part of organized units. PCS travel costs include mileage; monetary allowance in lieu of transportation; transportation by common carrier (rail, bus, air or water, including Air Mobility Command (AMC) and Military Sealift Command (MSC)); per diem allowances; payment of dislocation allowance (DLA); payment of temporary lodging entitlement (TLE); actual and necessary expenses and cost of subsistence while in a travel status; issue of meal tickets in lieu of subsistence; travel of dependents and transportation of baggage and household goods, port handling charges for household goods; baggage and privately owned vehicles passing through CONUS Military Traffic Management Command (MTMC) terminals; payments authorized for transportation of dependents, and personal and household effects of deceased military personnel; costs of contract packing, crating, handling and temporary storage of household goods; costs of nontemporary storage of household goods; cost of trailer allowances; travel incident to organizational movements on PCS whether for training or non-training purposes; expenses incident to PCS movement of any military group traveling under one order from the same point of origin to the same destination; minor supplies and services incident to troop or organizational PCS movements; expenses and allowances incident to separation travel, discharge or release. Also included is all authorized temporary duty (TDY) travel directly related to and an integral part of PCS movements of individuals or organizational units. Excludes TDY travel other than that directly related to and an integral part of PCS movements. All authorized PCS travel expenses provided for under this budget program account are charged to the same subprogram account cited in the PCS travel order of the military member. The only exceptions are Base Realignment Commission (BRAC) moves and the cost of contract commercial storage of household goods on a nontemporary basis. The term "CONUS" (Continental United States) applies to the contiguous 48 states.

PROGRAM AND PRICE CHANGES

1. Program Changes:

The Air Force has reduced its planned moves by 20 percent from FY 95 through FY 97 as compared to an end strength reduction of 6 percent. This demonstrates an Air Force commitment to force stability. Several increases in PCS dollars are related to Legislative initiatives focused on improving the military members and their families quality of life, where the government only reimburses 70 cents for every dollar spent during a PCS move. The improvements are: (1) increasing DLA from two months to two and one-half months Basic Allowance for Quarters (BAQ); (2) providing, at government expense, storage of privately owned motor vehicle of a service member or a family member when the member is ordered to a duty station overseas and the transportation of that motor vehicle is prohibited by the United States government or the government of the overseas location; (3) authorizing military members round-trip travel allowances in conjunction with picking up and delivering their vehicles to/from an ocean port when transported at government expense on a PCS move; (4) increasing Overseas Tour Extension Incentive Program entitlements to pay up to \$2,000 per year for enlisted members at remote sites and in critical skills overseas; and (5) increasing Do-It-Yourself (DITY) move reimbursement from 80 percent to 95 percent. providing Temporary Lodging Entitlements to first term enlisted members when traveling to their first permanent duty station; and (6) authorizing military members without dependents the same dislocation allowance as members with dependents when moving into government family quarters. Accession and Separation moves are linked directly to the gains and losses programmed by fiscal year. FY 98 and FY 99 increase in training moves are primarily attributable to increases in undergraduate flying training requirements. Other FY 99 changes primarily reflect programmed Quadrennial Defense Review, outsourcing and privatization and force structure actions. These impact most heavily the unit move accounts; although the operational and rotational accounts are also impacted due to manning imbalances created by many of these actions. In addition, TRANSCOM airlift rates are increasing to match commercially competitive rates.

2. Price Changes:

Inflation rate adjustments are included in FY 97 through FY 99. BAQ increases impact the DLA entitlement, computed at 2.5 months BAQ effective 1 Jan 97.

(Amount in Thousands)

SUMMARY OF REQUIREMENTS BY TYPES OF COST

Travel of Military Member	FY 1997 Actual		FY 1998 Estimate		FY 1999 Estimate	
	Number	Amount *	Number	Amount *	Number	Amount *
Accession Travel	37,602	\$45,662	38,950	\$48,796	42,003	\$54,193
Training Travel	9,574	45,363	10,343	52,142	10,450	56,225
Operational Travel Between Duty Stations	19,392	132,948	19,410	140,574	19,402	149,492
Rotational Travel To and From Overseas	47,537	410,566	47,895	428,777	48,306	443,964
Separation Travel	46,701	103,627	42,946	97,731	41,117	96,955
Travel of Organized Units	2,488	13,747	6,701	38,533	4,778	27,455
Nontemporary Storage *		19,225		22,953		22,714
Temporary Lodging Expense *		35,569		38,480		38,417
TERA	638	3,488	1,000	5,544	450	2,532
Total Obligations	163,932	810,196	167,245	873,530	166,506	891,946
Less Reimbursements		(2,624)		(1,370)		(1,288)
Total Direct Program		\$807,572		\$872,160		\$890,658

* NOTE: Nontemporary Storage (NTS) and Temporary Lodging Expense (TLE) are reflected as a separate category. NTS and TLE amounts are merged with travel type in detailed pages.

(Amount in Thousands)

SUMMARY OF REQUIREMENTS BY TYPES OF COST

	FY 1997 Actual		FY 1998 Estimate		FY 1999 Estimate	
	Number	Amount	Number	Amount	Number	Amount
Travel of Military Member						
Mileage and Per Diem	120,098	\$81,260	122,268	\$84,290	122,133	\$86,157
AMC	31,393	26,454	31,961	27,440	31,924	28,048
Commercial Air	11,803	11,270	12,016	11,690	12,002	11,949
Travel of Family Members (Family)						
Mileage and Per Diem	64,530	44,093	64,894	45,105	63,712	45,621
AMC	30,709	28,664	30,882	29,322	30,320	29,658
Commercial Air	10,930	12,184	10,991	12,463	10,791	12,606
Transportation of Household Goods						
M Tons - MSC	30,692	4,423	31,786	4,748	31,456	4,895
S Tons - AMC	9,424	35,880	9,760	38,509	9,658	45,650
Land Shipment, CONUS & Overseas	49,851	315,515	51,629	338,640	51,092	343,239
ITGBL	19,752	83,099	20,457	89,189	20,244	91,965
Dislocation Allowance	62,633	80,322	66,718	95,910	65,680	98,693
Trailer Allowance	1,244	2,519	1,276	2,632	1,243	2,606
Transportation of POVs	15,041	21,887	15,044	22,220	15,157	22,711
Port Handling Charges		4,344		4,393		4,483
Nontemporary Storage		19,225		22,953		22,714
Temporary Lodging Expense		35,569		38,480		38,417
TERA	638	3,488	1,000	5,544	450	2,532
Total Obligations		810,196		873,530		891,946
Less Reimbursements		(2,624)		(1,370)		(1,288)
Total Direct Program		\$807,572		\$872,160		\$890,658

(Amount in Thousands)

PROJECT: ACCESSION TRAVEL

FY 1997 Actual \$47,580

FY 1998 Estimate \$50,807

FY 1999 Estimate \$56,400

PART I - PURPOSE AND SCOPE

Funds provide for:

PCS movements of (1) officers appointed to a commissioned grade from civilian life, military academies, Air Force Reserves (AFRES), Reserve Officer Training Corps (ROTC), and Air National Guard (ANG) officers called or recalled to extended active duty from home or point where orders were received to first permanent duty station or training school, of twenty weeks or more duration and (2) officers appointed or recalled from enlisted status from station where they served as enlisted to new permanent duty station or training school of twenty weeks or more duration. Includes officers appointed from enlisted status upon graduation from Officer Training School (OTS).

PCS movements of (1) enlistees, reenlistees and prior service personnel from recruiting station or place of enlistment to first permanent duty station or training school of 20 weeks or more duration and (2) recalled enlisted reservists from home to first permanent duty station or training school of 20 weeks or more in duration.

PCS movements of (1) individuals selected as Air Force Academy cadets upon entry into the Academy and (2) individuals who travel to the academies but fail to pass the entrance physical examinations and are required to return home.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimates for accession travel cover the PCS movement of members entering on active duty. The PCS requirements for accession travel are based upon officer, enlisted and cadet gains as reflected in the Air Force personnel programs. These gains are required to meet planned Air Force manpower levels. This category of move results primarily from approved end strengths and separation/retirements from the Air Force; consequently, adjustments in accession travel can only be accommodated via adjustments in officer, enlisted or cadet strengths. Officer accessions include academy graduates, ROTC, medical officers, judge advocate general officers, chaplains, reserve officers and OTS graduates. Enlisted accessions include prior and nonprior service personnel, recalled reserves, USAF Preparatory School, and OTS.

Changes between FY 1997 and FY 1999 reflect the changes in accessions due to end strength adjustments and direction to program accessions each year to sustain the base force.

Pay raise and inflation factors are described under "Price Changes" at the beginning of the Permanent Change of Station detail section.

Average rates are based upon statistical data, ratios and percentages derived from actual accession PCS move costs during a given accounting period. The number of accession moves (officer, enlisted and cadet) times the appropriate rates for each element of expense (e.g., military member, dependents, household goods, etc.) results in the estimated funding required. The number of moves and the associated fiscal year requirements are shown in the tables on the following pages. Members are not entitled to temporary lodging expenses or dislocation allowances.

(Amount in Thousands)

ACCESSION TRAVEL

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Officer Accession Travel									
(1) Member Travel	4,641	491.29	\$2,280	4,911	498.17	\$2,447	5,313	505.64	\$2,686
(2) Family Member Travel	1,959	442.41	867	2,073	448.60	930	2,243	455.33	1,021
(3) Trans of Household Goods									
(a) Land & ITGBL	3,386	2,911.74	9,859	3,583	3,048.39	10,922	3,876	3,179.23	12,323
(b) Overseas	292	809.29	236	309	847.27	262	335	914.95	307
(4) Trailer Allowance	19	1,518.92	29	20	1,540.18	31	21	1,563.28	33
(5) POV									
(a) MSC	181	983.16	178	191	996.92	190	207	1,011.88	209
(b) Port Handling (M Tons)	181	165.70	30	191	168.02	32	207	170.54	35
(6) Port Handling (HHGS)	371	29.41	11	393	29.82	12	425	30.27	13
(7) Non-Temporary Storage			305			328			360
Subtotal Officer Accession Travel			\$13,795			\$15,154			\$16,987

(Amount in Thousands)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Enlisted Accession Travel									
(1) Member Travel	31,834	623.04	19,834	32,767	631.76	20,701	35,398	641.24	22,699
(2) Family Member Travel	5,603	230.56	1,292	5,767	233.79	1,348	6,230	237.29	1,478
(3) Trans of Household Goods									
(a) Land & ITGBL	3,852	2,465.10	9,496	3,965	2,580.79	10,233	4,283	2,691.55	11,528
(b) Overseas	4,855	124.46	604	4,997	130.30	651	5,398	140.70	759
(4) Trailer Allowance	16	1,902.92	30	16	1,929.56	31	18	1,958.50	35
(5) POV									
(a) MSC	347	1,006.68	349	357	1,020.77	364	386	1,036.09	400
(b) Port Handling (M Tons)	347	147.94	51	357	150.01	54	386	152.26	59
(6) Port Handling (HHGS)	691	30.60	21	711	31.03	22	768	31.49	24
(7) Non-Temporary Storage			1,613			1,683			1,846
Subtotal Enlisted Accession Travel			\$33,290			\$35,087			\$38,828
Cadet Accession Travel	1,127	438.86	\$495	1,272	445.00	\$566	1,292	451.68	\$584
Total Accession Travel			\$47,580			\$50,807			\$56,400
Accession Moves									
Officer	4,641			4,911			5,313		
Enlisted	31,834			32,767			35,398		
Cadets	1,127			1,272			1,292		
Total Accession Moves	37,602			38,950			42,003		

(Amount in Thousands)

PROJECT: TRAINING TRAVEL

FY 1997 Actual	\$50,333
FY 1998 Estimate	\$57,597
FY 1999 Estimate	\$61,824

PART I - PURPOSE AND SCOPE

Funds to provide for the PCS movements of:

- (1) Officers and enlisted personnel from previous permanent duty stations to formal service or civilian schools, including technical schools, flying training schools, factory training, and other approved courses of instruction, of 20 weeks duration or more.
- (2) Officers and enlisted school graduates and eliminees from school to their next permanent CONUS duty station excluding Academy, OTS, flying training, and ROTC graduates.
- (3) Enlisted personnel ordered to training leading to a commission.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimates for training travel cover PCS requirements for officer and enlisted personnel engaged in Air Force and outside agency training programs. The PCS requirements for training travel are the direct result of Air Force training programs covering technical training, career training and flying training. These types of training are required to maintain the skill level and educational requirements necessary to fulfill the Air Force mission. Adjustments in training travel are directly responsive to training programs which generate the move requirements. This category of travel contains basic and advanced technical training, retraining, professional military education (e.g., Air War, National War and Industrial Colleges, Medical Training, Air Force Institute of Technology) and undergraduate pilot and navigator training. Training requirements for pilots increase from FY 1997 to FY 1999.

Pay raise and inflation factors are described under "Price Changes" at the beginning of the Permanent Change of Station detail section. Average rates are based on statistical data, ratios, and percentages extracted from actual PCS training move costs. The number of officer and enlisted training moves times the average rate for each element of expense (e.g., military member, dependent, household goods, etc.) results in the estimated funding required.

The number of moves and fiscal year requirements are shown on the following page.

(Amount in Thousands)

TRAINING TRAVEL

	FY 1997 Actual		FY 1998 Estimate		FY 1999 Estimate	
	Number	Rate	Number	Rate	Number	Rate
Officer Training Travel						
(1) Member Travel	5,524	503.89	6,293	510.94	6,400	518.61
(2) Family Member Travel	3,788	503.01	4,315	510.05	4,388	517.70
(3) Trans of Household Goods	5,524	4,544.56	6,293	4,757.99	6,400	5,137.91
(4) Dislocation Allowance	5,134	1,422.94	5,849	1,417.25	5,948	1,475.76
(5) Trailer Allowance	16	1,762.94	18	1,787.62	19	1,814.43
(6) Non-Temporary Storage		520				620
(7) Temporary Lodging Expense		2,453				2,925
Subtotal Officer Training Travel		\$ 40,098		\$ 47,112		\$ 50,831
Enlisted Training Travel						
(1) Member Travel	4,050	350.40	4,050	355.31	4,050	360.64
(2) Family Member Travel	1,607	288.83	1,607	292.87	1,607	297.26
(3) Trans of Household Goods	1,148	3,824.59	1,148	4,004.08	1,148	4,323.93
(4) Dislocation Allowance	1,798	1,076.21	1,798	1,071.91	1,798	1,116.17
(5) Trailer Allowance	12	2,409.72	12	2,443.46	12	2,480.11
(6) Non-Temporary Storage		118				121
(7) Temporary Lodging Expense		1,879				1,932
Subtotal Enlisted Training Travel		\$ 10,235		\$ 10,485		\$ 10,993
Total Training Travel		\$ 50,333		\$ 57,597		\$ 61,824
Training Moves						
Officer	5,524		6,293		6,400	
Enlisted	4,050		4,050		4,050	
Total Training Moves	9,574		10,343		10,450	

(Amount in Thousands)

PROJECT: OPERATIONAL TRAVEL

FY 1997 Actual	\$143,394
FY 1998 Estimate	\$151,172
FY 1999 Estimate	\$160,248

PART I - PURPOSE AND SCOPE

Funds to provide for the PCS movements of:

- (1) Officers and enlisted personnel to and from permanent duty stations located within the United States.
- (2) Officers and enlisted personnel to and from permanent duty stations located within an overseas area when no transoceanic travel is involved.
- (3) Dependents, household goods, personal effects, trailer allowances and privately owned vehicles of officers and enlisted personnel who are interned (including hospitalized or imprisoned), missing, or captured when no transoceanic travel is involved.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimate for operational travel covers PCS requirements for operational reassignment of officer and enlisted personnel between both duty stations (1) within the CONUS and (2) within overseas areas when no transoceanic travel is involved. Operational moves are predicated upon the approved Air Force force structure and are necessary to support skill leveling among units, to fill new/unprogrammed requirements, and to accommodate valid humanitarian assignments. The estimates include actions taken by the Air Force to limit operational reassignments and reduce costs to the minimum necessary to carry out the Air Force mission (manning floor, minimum CONUS tour lengths, do-it-yourself move program, maximum use of low-cost moves).

As the Air Force moves to strengthen our capability and simultaneously decrease the size of our force, the operational PCS program must reflect this requirement. FY 1999 will face additional strains on operational travel due to mandated Quadrennial Defense Review actions, e.g., outsourcing and privatization and force structure changes (by regulation these moves include unit moves that will not involve the movement of equipment). In order to prevent a hollow force, operational requirements increased to fill vacancies resulting from the loss of experienced career personnel due to early retirement separations. Since the operational move category includes overseas moves when no transoceanic travel is involved, as we drawdown our overseas strengths we will experience increases in our overseas operational moves. To minimize the costs of these moves, the Air Force will maximize the use of intra-theatre consecutive overseas tours and continuation of tours. In addition, as we close bases overseas fewer members in a must move status (i.e., training schools, controlled tours) will be assigned to overseas areas, thus increasing our CONUS operational moves. The cumulative effect of this action necessitates additional resources to maintain mission responsiveness to the Air Force PCS program. We anticipate a gradual decline in PCS moves after the Air Force end strength stabilizes and fewer base closures and force structure actions are required. Pay raise, inflation factors and manning floors are described under "Price Changes" and "Policy Changes" respectively, at the beginning of the PCS detail section.

Average rates are based upon statistical data, ratios and percentages derived from actual PCS operational move costs. The number of officer and enlisted moves and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the average rate results in estimate funding required. The number of moves and associated fiscal year requirements are shown on the following page.

(Amount in Thousands)

OPERATIONAL TRAVEL

	FY 1997 Actual		FY 1998 Estimate		FY 1999 Estimate	
	Number	Rate	Number	Rate	Number	Rate
Officer Operational Travel						
(1) Member Travel	9,077	655.82	9,026	665.00	9,021	674.98
(2) Family Member Travel	7,682	543.57	7,639	551.18	7,634	559.44
(3) Trans of Household Goods	9,077	6,360.12	9,026	6,658.71	9,021	7,190.51
(4) Dislocation Allowance	8,432	1,551.19	8,384	1,774.24	8,380	1,847.48
(5) Trailer Allowance	91	1,605.74	90	1,628.22	90	1,652.64
(6) Non-Temporary Storage		689		696		706
(7) Temporary Lodging Expense		4,085		4,116		4,177
Subtotal Officer Operational Travel		\$85,860		\$90,148		\$ 95,740
Enlisted Operational Travel						
(1) Member Travel	10,315	470.18	10,384	476.76	10,381	483.91
(2) Family Member Travel	8,391	406.26	8,447	411.95	8,445	418.13
(3) Trans of Household Goods	10,315	3,297.54	10,384	3,452.30	10,381	3,728.07
(4) Dislocation Allowance	9,168	931.17	9,229	1,071.13	9,227	1,115.35
(5) Trailer Allowance	495	2,125.18	498	2,154.93	498	2,187.26
(6) Non-Temporary Storage		1,030		1,052		1,067
(7) Temporary Lodging Expense		4,642		4,734		4,806
Subtotal Enlisted Operational Travel		\$57,534		\$61,024		\$64,508
Total Operational Travel		\$143,394		\$151,172		\$160,248
Operational Moves						
Officer	9,077		9,026		9,021	
Enlisted	10,315		10,384		10,381	
Total Operational Moves	19,392		19,410		19,402	

(Amount in Thousands)

PROJECT: ROTATIONAL TRAVEL

FY 1997 Actual	\$441,447
FY 1998 Estimate	\$462,894
FY 1999 Estimate	\$478,896

PART I - PURPOSE AND SCOPE

Funds to provide for the PCS movements of:

- (1) Officers and enlisted personnel from permanent duty stations in CONUS, or training of 20 weeks or more duration, to permanent duty stations overseas.
- (2) Officers and enlisted personnel from permanent duty stations overseas to permanent duty stations in CONUS, or training of 20 weeks or more duration.
- (3) Officers and enlisted personnel from permanent duty stations in one overseas area to permanent duty stations in another overseas area when transoceanic travel is involved.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Rotational moves are made in accordance with overseas tour policies approved by the Secretary of Defense. FY 1999 increases are related to the Air Force's continuing restructure and consolidation efforts in overseas locations and theater drawdown actions such as the withdrawal from Panama.

Pay raise, inflation factors and manning floors are described under "Price Changes" and "Policy Changes" at the beginning of the PCS detail section.

Average rates are based upon statistical data, ratios and percentages derived from actual PCS rotational moves. The number of officer and enlisted moves and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the appropriate average rate results in the estimated funding required. The number of moves and associated fiscal year requirements are shown on the following pages.

(Amount in Thousands)

ROTATIONAL TRAVEL

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
<u>Officer Rotational Travel</u>									
(1) Member Travel	7,086	1,468.15	\$10,403	7,196	1,488.70	\$10,713	7,259	1,511.03	\$10,969
(2) Family Member Travel	5,429	2,426.27	13,172	5,514	2,460.24	13,566	5,562	2,497.14	13,889
(3) Trans of Household Goods									
(a) Land & ITGBL	8,817	4,782.01	42,163	8,954	4,848.96	43,418	9,032	4,985.55	45,029
(b) Overseas			9,719			10,832			11,271
(4) Dislocation Allowance	6,375	1,621.10	10,335	6,474	1,876.13	12,146	6,531	1,953.58	12,759
(5) Trailer Allowance	86	3,112.62	268	87	3,156.20	275	88	3,203.54	282
(6) POV									
(a) MSC	2,976	1,934.14	5,756	3,022	1,961.22	5,927	3,049	1,990.64	6,069
(b) Port Handling (M Tons)	2,976	295.68	880	3,022	299.82	906	3,049	304.32	928
(7) Port Handling (HHGS)	11,253	47.69	537	11,428	48.36	553	11,528	49.08	566
(8) Non-Temporary Storage			3,693			4,805			4,920
(9) Temporary Lodging Expenses			3,189			3,281			3,361
Subtotal Officer Rotational Travel			\$100,115			\$106,423			\$110,043

(Amount in Thousands)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
<u>Enlisted Rotational Travel</u>									
(1) Member Travel	40,451	1,357.27	\$54,903	40,699	1,376.27	\$56,013	41,047	1,396.92	\$57,339
(2) Family Member Travel	28,866	1,590.44	45,910	29,043	1,612.71	46,838	29,291	1,636.90	47,946
(3) Trans of Household Goods									
(a) Land & ITGBL	38,983	3,416.25	133,176	39,222	3,464.08	135,868	39,557	3,561.60	140,886
(b) Overseas			29,693			31,586			33,326
(4) Dislocation Allowance	29,958	1,241.48	37,192	30,142	1,437.93	43,342	30,399	1,497.29	45,516
(5) Trailer Allowance	93	2,222.29	207	94	2,253.40	212	94	2,287.20	215
(6) POV									
(a) MSC	10,279	1,354.56	13,924	10,342	1,373.52	14,205	10,430	1,394.13	14,541
(b) Port Handling (M Tons)	10,279	160.85	1,653	10,342	163.10	1,687	10,430	165.55	1,727
(7) Port Handling (HHGS)	29,100	23.18	675	29,279	23.50	688	29,529	23.86	704
(8) Non-Temporary Storage			5,797			7,472			7,649
(9) Temporary Lodging Expenses			18,202			18,559			19,004
Subtotal Enlisted Rotational Travel			\$341,332			\$356,471			\$368,853
Total Rotational Travel			\$441,447			\$462,894			\$478,896
Rotational Moves									
Officer	7,086			7,196			7,259		
Enlisted	40,451			40,699			41,047		
Total Rotational Moves	47,537			47,895			48,306		

(Amount in Thousands)

PROJECT: SEPARATION TRAVEL

FY 1997 Actual \$112,081

FY 1998 Estimate \$107,733

FY 1999 Estimate \$103,913

PART I - PURPOSE AND SCOPE

Funds provide for the PCS movements of:

- (1) Officers and enlisted personnel upon release, normal retirement (excludes TERA retirement), or separation from the Air Force from last permanent duty station to home of record or point of entry into the service or to home of selection when authorized by law.
- (2) Dependents, household goods, trailer allowances and personal effects of officers and enlisted personnel who are deceased.
- (3) Eliminated Air Force Academy cadets to home of record or point of entry into the service.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimates for separation travel cover general separations and retirements from the Air Force. The PCS requirements for separation travel are based upon officer, enlisted and cadet losses as reflected in the Air Force personnel programs. Separation travel covers disability separations, honorable separations, enlisted personnel on expiration term of service and normal early releases, retirements, etc. Total estimated separation moves have increased as a result of force management actions required to selectively reduce force structure.

Pay raise and inflation factors are explained in the "Price Changes" section at the beginning of the PCS detail section.

Average rates are based on statistical data, ratios, and percentages derived from actual officer, enlisted and cadet separation PCS move costs. The number of separation moves (officer, enlisted and cadets) and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the appropriate rate for each category results in the estimated funding required.

The number of moves and fiscal year requirements are shown on the following pages. Dollars do not include funding for nontemporary storage; members are entitled to neither temporary lodging expenses nor dislocation allowances.

(Amount in Thousands)

SEPARATION TRAVEL

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Officer Separation Travel									
(1) Member Travel	6,408	248.17	\$1,590	5,162	251.64	\$1,299	4,979	255.42	\$1,272
(2) Family Member Travel	5,156	474.34	2,446	4,153	480.98	1,998	4,006	488.20	1,956
(3) Trans of Household Goods									
(a) Land & ITGBL	3,552	4,661.41	16,557	2,861	4,880.09	13,962	2,760	5,089.53	14,047
(b) Overseas	1,117	652.32	729	900	682.93	615	868	737.49	640
(4) Trailer Allowance	24	2,298.03	55	20	2,330.20	47	19	2,365.15	45
(5) POV									
(a) MSC	359	1,317.16	473	289	1,335.60	386	279	1,355.63	378
(b) Port Handling (M Tons)	359	227.57	82	289	230.76	67	279	234.22	65
(6) Port Handling (HHGS)	2,329	38.20	89	1,876	38.73	73	1,809	39.32	71
(7) Non-Temporary Storage			2,427			2,047			2,088
Subtotal Officer Separation Travel			\$24,448			\$20,494			\$20,562

(Amount in Thousands)

SEPARATION-TRAVEL

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Enlisted Separation Travel									
(1) Member Travel	39,973	325.02	\$12,992	37,463	329.57	\$12,347	35,810	334.51	\$11,979
(2) Family Member Travel	36,076	296.83	10,708	33,810	300.99	10,176	32,319	305.50	9,873
(3) Trans of Household Goods									
(a) Land & ITGBL	8,890	5,958.91	52,975	8,332	6,238.57	51,980	7,964	6,506.33	51,816
(b) Overseas	7,423	348.60	2,588	6,957	364.96	2,539	6,650	394.11	2,621
(4) Trailer Allowance	360	1,688.88	608	337	1,712.52	577	322	1,738.21	560
(5) POV									
(a) MSC	899	1,342.61	1,207	843	1,361.41	1,148	806	1,381.83	1,114
(b) Port Handling (M Tons)	899	188.77	170	843	191.41	161	806	194.28	157
(6) Port Handling (HHGS)	4,185	34.63	145	3,922	35.11	138	3,749	35.64	134
(7) Non-Temporary Storage			2,538			2,411			2,339
Subtotal Enlisted Separation Travel			\$83,931			\$81,477			\$80,593
Cadet Separation Travel	320	668.48	\$214	321	677.84	\$218	328	688.01	\$226
Subtotal Separation Travel			\$108,593			\$102,189			\$101,381
TERA									
Officer	638	5,467.08	3,488	1,000	5,544.10	5,544	450	5,627.26	2,532
Enlisted	0	3,024.53	0	0	3,066.88	0	0	3,112.88	0
Subtotal TERA	638		\$3,488	1,000		\$5,544	450		\$2,532
Total Separation Travel			\$112,081			\$107,733			\$103,913
Separation Moves									
Officer	7,046			6,162			5,429		
Enlisted	39,973			37,463			35,810		
Cadets	320			321			328		
Total Separation Moves	47,339			43,946			41,567		

(Amount in Thousands)

PROJECT: ORGANIZED UNITS TRAVEL

FY 1997 Actual	\$15,360
FY 1998 Estimate	\$43,327
FY 1999 Estimate	\$30,664

PART I - PURPOSE AND SCOPE

Funds provided for the CONUS or overseas movement of:

- (1) Officer and enlisted personnel directed to move as members of an organized unit movement.
- (2) Officer and enlisted replacements directed to move as part of the unit move.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The estimates for organized unit travel include requirements for relocation of Air force units from both the CONUS and overseas in accordance with published Air Force programs. These moves are required as a result of changes in force reductions, force positioning and the requirement to maintain strategic and tactical integrity of units.

The Air Force estimate of organized unit move requirements is based on the most comprehensive planning data available on the DOD regulation definition of a unit move and on historical program change request data. Anticipated moves are tracked throughout the operating and budget years since mission requirements dictate changes to the initial schedule. The estimated number of moves increase as the Air Force implements an aggressive outsourcing and privatization plan and Quadrennial Defense Review plan for more active force drawdowns, realignments, and consolidations (e.g., 18-24 primary aircraft fighter squadrons).

Pay raise and inflation are described under "Price Changes" at the beginning of the PCS detail section.

The average rates are based upon statistical data, ratios and percentages derived from actual PCS organized unit move costs. The number of officer and enlisted organized unit moves and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the average rates results in the estimated fund requirements. The number of moves and fiscal year requirements are shown on the following pages.

(Amount in Thousands)

TRAVEL OF ORGANIZED UNITS

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Officer Unit Travel									
(1) Member Travel	232	669.76	\$155	876	679.14	\$595	445	689.33	\$307
(2) Family Member Travel	196	513.16	101	741	520.34	386	377	528.15	199
(3) Trans of Household Goods									
(a) Land & ITGBL	232	6,598.93	1,531	876	6,691.31	5,862	445	6,879.70	3,061
(b) Overseas									
(4) Dislocation Allowance	229	1,687.30	386	866	1,680.55	1,455	440	1,749.93	770
(5) Non-Temporary Storage			366			1,401			742
(6) Temporary Lodging Expense			104			399			206
Subtotal Officer Unit Travel			\$2,643			\$10,098			\$5,285
Enlisted Unit Travel									
(1) Member Travel	2,256	493.44	\$1,113	5,825	500.35	\$2,915	4,333	507.86	\$2,201
(2) Family Member Travel	1,416	346.80	491	3,658	351.66	1,286	2,721	356.93	971
(3) Trans of Household Goods									
(a) Land & ITGBL	2,256	3,701.88	8,351	5,825	3,753.71	21,865	4,333	3,859.18	16,722
(b) Overseas									
(4) Dislocation Allowance	1,539	1,007.73	1,551	3,976	1,003.70	3,991	2,957	1,045.13	3,090
(5) Trailer Allowance	32	2,095.64	67	84	2,124.98	178	62	2,156.85	134
(6) Non-Temporary Storage			129			337			255
(7) Temporary Lodging Expense			1,015			2,657			2,006
Subtotal Enlisted Unit Travel			\$12,717			\$33,229			\$25,379
Total Unit Travel			\$15,360			\$43,327			\$30,664
Unit Travel Moves									
Officer	232			876			445		
Enlisted	2,256			5,825			4,333		
Total Unit Travel Moves	2,488			6,701			4,778		

OTHER MILITARY PERSONNEL COSTS

MILITARY PERSONNEL, AIR FORCE
SCHEDULE OF INCREASES AND DECREASES
(In Thousands of Dollars)

6. Other Military Personnel Costs

FY 1998 Direct Program			\$63,109
<u>Increases:</u>			
Advance Pay		53,000	
- Increase is based on revised approach in the obligation of advance pay.		53,000	
Total Increases			53,000
<u>Decreases:</u>			
Survivor Benefits			-1,300
- Decreased payments based on latest Veterans Administration projected number of recipients		-1,300	
Unemployment Compensation			-7,056
- Reflect a decrease in anticipated takers. Payments based on latest Department of Labor projections of unemployment rates and projected number of recipients.		-7,056	
Total Decreases			-8,356
FY 1999 Direct Program			\$107,753

(Amount in Thousands)

PROJECT: APPREHENSION OF AIR FORCE DESERTERS, ABSENTEES, AND ESCAPED
MILITARY PRISONERS

FY 1997 Actual	\$100
FY 1998 Estimate	\$100
FY 1999 Estimate	\$100

PART I - PURPOSE AND SCOPE

The funds are for the expenses and delivery of military deserters, absentees, and escaped military prisoners, including the payment for travel of guards; payment of rewards or reimbursement of reasonable and actual expenses to persons or agencies apprehending and detaining or delivering absentees or deserters to military control.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on factors developed from current experience.

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
Expenses Incident to the Apprehension and Delivery of Deserters, Absentees, and Prisoners	\$100	\$100	\$100

(Amount in Thousands)

PROJECT: INTEREST ON UNIFORMED SERVICES SAVINGS DEPOSIT PROGRAM

FY 1997 Actual	\$575
FY 1998 Estimate	\$575
FY 1999 Estimate	\$575

PART I - PURPOSE AND SCOPE

The funds are for payment of interest (Int) at a rate not to exceed ten percent per annum on any sum of not less than \$5.00 deposited by members of the temporary duty uniformed services under the provisions of P.L. 8-538, approved August 14, 1966, as amended by Title 10, United States Code, Section 1035 in FY 1991. This amendment permits service members on temporary duty assignment outside the United States in support of a contingency operations to deposit unallotted current pay and allowances into the savings program.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The funding required covers interest on accounts for those members in support of contingency operations.

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Number	Payment	Amount	Number	Payment	Amount	Number	Payment	Amount
Officer	274	734.47	201	274	734.47	201	274	734.47	201
Enlisted	922	405.38	374	922	405.38	374	922	405.38	374
Total	1,196		\$575	1,196		\$575	1,196		\$575

(Amount in Thousands)

PROJECT: DEATH GRATUITIES

FY 1997 Actual	\$1,470
FY 1998 Estimate	\$1,470
FY 1999 Estimate	\$1,470

PART I - PURPOSE AND SCOPE

The funds are for the payment of death gratuities to beneficiaries of military personnel under the provisions of 10 U.S.C. 1475-78 as amended by the Bill H.R. 1281, dated March 22, 1991, which increased the payment of death gratuities from \$3,000 to \$6,000.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Funds required are based on mortality rates as applied against the programmed manyyears of personnel and the statutory gratuity amount. Details of the computation are:

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Statutory			Statutory			Statutory		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Officer	69	6,000	414	69	6,000	414	69	6,000	414
Enlisted	176	6,000	1,056	176	6,000	1,056	176	6,000	1,056
Total	245		\$1,470	245		\$1,470	245		\$1,470

(Amount in Thousands)

PROJECT: ALLOWANCE FOR QUARTERS TO SURVIVING DEPENDENTS

FY 1997 Actual	\$500
FY 1998 Estimate	\$500
FY 1999 Estimate	\$500

PART I - PURPOSE AND SCOPE

Under the provisions of Public Law 99-227, 12 December 1985, if a member dies in the line of duty, his/her dependents who are not occupying a housing facility under the jurisdiction of a uniformed service on the date of the member's death or are occupying such housing on a rental basis on such date, or vacate such housing sooner than 90 days after the date of the member's death, are paid the same amount of allowance for quarters that would be payable to the member had they not died. The payment terminates 90 days after the date of the member's death.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on factors developed from current experience.

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
Officer	219	219	219
Enlisted	281	281	281
Total	\$500	\$500	\$500

(Amount in Thousands)

PROJECT: UNEMPLOYMENT BENEFITS PAID TO EX-SERVICE MEMBERS

FY 1997 Actual	\$47,364
FY 1998 Estimate	\$48,679
FY 1999 Estimate	\$41,623

PART I - PURPOSE AND SCOPE

Funds are for payments of unemployment benefits to ex-service members who are discharged or released under honorable conditions as prescribed in Paragraph (1) of Section 8521 (a) of Title 5, United States Code. Generally, eligibility is defined as active service in the Armed Forces whereupon the individual was discharged under honorable conditions (and if an officer did not resign for the good of the service); and had completed his first full term of active service; or was discharged before completing his first term under an early release program, because of hardship, for medical reasons, or for personality disorders or inaptitude (but only if the service was continuous for 365 days or more).

Prior to FY 1984 the Department of Labor budgeted and paid the individual states for the Federal Government's share of applicable unemployment compensation for ex-servicemen. Beginning in FY 1984, the Department of Defense was required to budget for the costs of regular and extended unemployment benefits. Funds appropriated for paying these benefits are deposited by DoD into a Treasury account entitled "Federal Employees Compensation Account." In FY 1991, passage of P.L. 102-164 changed benefits, starting in FY 1992, from 13 weeks after a four week period to 26 weeks with a one week waiting period.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on Department of Labor and Department of Defense historical experience.

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
Unemployment Compensation	\$47,364	\$48,679	\$41,623

(Amount in Thousands)

PROJECT: SURVIVORS' BENEFITS

FY 1997 Actual	\$5,742
FY 1998 Estimate	\$5,742
FY 1999 Estimate	\$4,442

PART I - PURPOSE AND SCOPE

Funds are requested to provide for payments of restored social security benefits to widows and orphans of deceased Air Force military personnel. These benefits were withdrawn under Public Law 97-35, which terminated the "mother's" benefits when the last child in custody of the surviving spouse reached age 16 rather than 18, and affected the "school child" by either eliminating benefit payments or by requiring a reduction in benefits. Section 156 of Public Law 97-377 modified by Section 943 of the DoD Authorization Act, FY 1984, P.L. 98-94, 97 Stat, 614, restored these social security benefits to survivors of military members and directed the Department of Defense to budget for this requirement.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on factors furnished by the Veterans Administration.

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
Survivors' Benefits	\$5,742	\$5,742	\$4,442

(Amount in Thousands)

PROJECT: ADOPTION REIMBURSEMENT PROGRAM

FY 1997 Actual	\$800
FY 1998 Estimate	\$800
FY 1999 Estimate	\$800

PART I - PURPOSE AND SCOPE

The National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180), Section 638, instructed the Secretary of Defense to establish a program under which members of the Armed Forces may be reimbursed for qualifying child adoption expenses. The test program was to be terminated after FY 1992, but the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Section 651) extended the program.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Funds are required to pay adoption expenses incurred by active duty members in the adoption of a child under 18 years of age. Expenses include public and private agency fees; legal fees; medical expenses for the child, the biological mother, and the adopting parents; temporary foster care; transportation expenses; and other expenses approved by OSD (FM&P).

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
Officer	499	499	499
Enlisted	301	301	301
Total	\$800	\$800	\$800

(Amount in Thousands)

**PROJECT: ALL VOLUNTEER EDUCATIONAL ASSISTANCE PROGRAM
(MONTGOMERY GI BILL)**

FY 1997 Actual	\$5,404
FY 1998 Estimate	\$5,193
FY 1999 Estimate	\$5,193

PART I - PURPOSE AND SCOPE

Public Law 101-510 dated November 5, 1990 allows Service members who are involuntarily separated to enroll in the Montgomery GI Bill. The FY 1993 Defense Authorization Act allows members exercising the VSI/SSB options to convert from the Veterans Educational Assistance Program (VEAP) to the Montgomery GI Bill. Most military members who are receiving VSI/SSB entered the Service when VEAP was in effect. Beginning in July 1985, the All Volunteer Educational Assistance Program, known as the Montgomery GI Bill, became effective and no new enrollments were accepted into VEAP.

The Services are now required to make additional contributions to the DoD Educational Benefits Fund. Payments into the fund for involuntary separatees were required beginning in Fiscal Year 1994 and payments to VSI/SSB recipients began in Fiscal Year 1995.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on projected payments into the DoD Educational Benefits Fund.

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
Officer	648	623	623
Enlisted	4,756	4,570	4,570
Total	\$5,404	\$5,193	\$5,193

(Amount in Thousands)

PROJECT: CIVILIAN COMMUNITY CORPS

FY 1997 Actual	\$50
FY 1998 Estimate	\$50
FY 1999 Estimate	\$50

PART I - PURPOSE AND SCOPE

The National and Community Act of 1990, subsection 162(a) (2) (C), requires the Department of Defense to reimburse the Corporation for National Service/Civilian Community Corps (CCC) for 50 percent of the supplemental salary for CCC cadre members who are receiving military retirement pay. The supplemental salary is the difference between the active duty pay and allowances the member would receive if ordered to active duty and the amount of the member's retired pay.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Cost estimates are based on estimates from the Corporation for National Service/Civilian Community Corps.

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
Officer	50	50	50
Enlisted	0	0	0
Total	\$50	\$50	\$50

(Amount in Thousands)

PROJECT: ADVANCE MILITARY PAY

FY 1997 Actual	\$0
FY 1998 Estimate	\$0
FY 1999 Estimate	\$53,000

PART I - PURPOSE & SCOPE

Advance payments are authorized to service members on a case by case basis to meet extraordinary expenses incident to a government-ordered relocation as provided by 37 U. S. C. 1006. The intent of advance payments is to assist with out-of-pocket expenses that exceed or preceded reimbursements incurred in a duty location change and are expenses not typical of day-to-day military living. Advance payments vary depending on the reason and type of relocation the service member incurs.

PART II - JUSTIFICATION OF FUNDS REQUESTED

Funds are requested to implement an accounting adjustment regarding the fiscal year in which the Department records obligations for advance payments under 37 U.S.C 1006.

	FY 1997 Actual	FY 1998 Estimate	FY 1999 Estimate
Officer			16,300
Enlisted			32,200
Cadet			4,500
Total	\$0	\$0	\$53,000

SECTION 5

SPECIAL ANALYSIS

DEPARTMENT OF THE AIR FORCE
MILITARY PERSONNEL ASSIGNED OUTSIDE THE DOD (END STRENGTH)

Assigned Outside DoD:	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Officer	Enlisted	Total	Officer	Enlisted	Total	Officer	Enlisted	Total
Nonreimbursable Personnel:									
Exec Office of the President/White House	7	11	18	9	12	21	9	12	21
Office of National Drug & Control Policy	12	0	12	13	0	13	13	0	13
Vice President's Office	3	6	9	4	6	10	4	6	10
State Department	19	0	19	19	0	19	19	0	19
Energy Department	7	0	7	7	0	7	7	0	7
Department of Commerce	2	0	2	2	0	2	2	0	2
Department of Transportation	0	0	0	1	0	1	1	0	1
UN Truce Supervision Agency	1	0	1	1	0	1	1	0	1
Drug Enforcement Administration	2	7	9	2	9	11	2	9	11
US Coast Guard	1	0	1	1	0	1	1	0	1
US Customs Service	1	0	1	1	0	1	1	0	1
National Security Council	4	0	4	4	0	4	4	0	4
Central Intelligence Agency	8	3	11	7	3	10	7	3	10
Office of Science & Technology Policy	1	0	1	1	0	1	1	0	1
UN Iraq/Kuwait Observation Mission	2	0	2	2	0	2	2	0	2
Selective Service System	0	0	0	1	0	1	1	0	1
United Nations, NY	4	0	4	4	0	4	4	0	4
US Military Observer Group, Washington	1	0	1	0	0	0	0	0	0
Subtotal - Nonreimbursable Personnel	75	27	102	79	30	109	79	30	109
Reimbursable Personnel:									
American Battle Monuments Commission	1	0	1	1	0	1	1	0	1
Office of Science & Technology Policy	1	0	1	1	0	1	1	0	1
Central Intelligence Agency	7	1	8	8	2	10	8	2	10
Arms Control & Disarmament Agency	15	0	15	15	0	15	15	0	15
Department of Transportation	14	1	15	17	1	18	17	1	18
NASA	3	0	3	4	0	4	4	0	4
Subtotal - Reimbursable Personnel	41	2	43	46	3	49	46	3	49
Total Outside DoD	116	29	145	125	33	158	125	33	158

DEPARTMENT OF THE AIR FORCE
MILITARY PERSONNEL ASSIGNED OUTSIDE THE DOD (END STRENGTH)

	FY 1997 Actual			FY 1998 Estimate			FY 1999 Estimate		
	Officer	Enlisted	Total	Officer	Enlisted	Total	Officer	Enlisted	Total
Assigned to DoD Activities in Support of Non-DoD Functions:									
NASA	2	10	12	2	10	12	2	10	12
Foreign Military Sales	300	719	1,019	368	734	1,102	314	647	961
Subtotal Non-DoD Functions	302	729	1,031	370	744	1,114	316	657	973

Assigned to DoD Activities in Support of DoD Functions:

Working Capital Fund (WCF):

Information Services Activity Group (ISAG)	248	831	1,079	247	806	1,053	247	795	1,042
HQ US Transportation Command (TRANSCOM)	85	46	131	95	45	140	94	37	131
Military Traffic Management Command (MTMC)	19	5	24	12	0	12	7	0	7
Defense Courier Service (DCS)	8	119	127	12	104	116	11	104	115
Defense Commissary Agency (DeCA)	4	1	5	1	1	2	1	1	2
Defense Finance & Accounting Service (DFAS)	38	867	905	42	864	906	38	764	802
Defense Information Systems Agency (DISA)	10	83	93	9	61	70	9	47	56
Defense Logistics Agency (DLA)	432	101	533	482	109	591	461	101	562
Depot Maintenance Activity Group (DMAG)	142	260	402	142	258	400	151	266	417
Joint Logistics Systems Center (JLSC)	6	3	9	6	3	9	0	0	0
Supply Management Activity Group (SMAG)	35	22	57	34	18	52	33	18	51
Subtotal - WCF	1,027	2,338	3,365	1,082	2,269	3,351	1,052	2,133	3,185

Total - Reimbursable

Total - Nonreimbursable

Grand Total

REIMBURSABLE PROGRAM
DEPARTMENT OF THE AIR FORCE

(Amount in Thousands)

	<u>FY 1997 Actual</u>	<u>FY 1998 Estimate</u>	<u>FY 1999 Estimate</u>
<u>Subsistence</u>	\$34,003	\$34,785	\$26,050
<u>Non-Strength Related:</u>			
Medical	3,597	3,624	3,461
Foreign Military Sales - Training Cases	24,835	28,582	25,253
Subtotal	62,434	66,990	54,764
<u>Strength Related:</u>			
Officer - Basic Pay	62,561	53,626	47,714
- Other Pay and Allowances	12,311	6,586	5,965
Enlisted - Basic Pay	54,856	60,818	53,734
- Other Pay and Allowances	10,286	12,442	11,063
Retired Pay Accrual	38,278	34,905	30,637
PCS Travel	2,624	1,370	1,288
Subtotal	180,916	169,748	150,400
Total Program	\$243,350	\$236,738	\$205,164

COMBATING TERRORISM FUNDING SUMMARY

AIR FORCE

MILITARY PERSONNEL APPROPRIATION

(Dollars in Millions)

SECURITY FORCES & TECHNICIANS

BUDGET ACTIVITY

	<u>FY 1997 Actual</u>	<u>FY 1998 Estimate</u>	<u>FY 1999 Estimate</u>
1 - Pay and Allowances of Officers	57.3	57.3	57.3
2 - Pay and Allowances of Enlisted	685.0	676.8	681.0
4 - Subsistence of Enlisted Personnel	55.6	55.0	55.7
5 - Permanent Change of Station Travel	46.9	50.2	51.2
6 - Other Military Personnel Programs	3.6	3.6	6.2
TOTAL COMPONENT	848.4	842.9	851.4

SECURITY & INVESTIGATIVE MATTERS

BUDGET ACTIVITY

	<u>FY 1997 Actual</u>	<u>FY 1998 Estimate</u>	<u>FY 1999 Estimate</u>
1 - Pay and Allowances of Officers	18.3	18.5	17.9
2 - Pay and Allowances of Enlisted	16.0	16.1	15.7
4 - Subsistence of Enlisted Personnel	1.3	1.3	1.3
5 - Permanent Change of Station Travel	1.6	1.7	1.7
6 - Other Military Personnel Programs	0.1	0.1	0.2
TOTAL COMPONENT	37.3	37.7	36.8

COMBATING TERRORISM PERSONNEL SUMMARY

AIR FORCE

MILITARY PERSONNEL APPROPRIATION

SECURITY FORCES & TECHNICIANS:			
	FY 1997 <u>Actual</u>	FY 1998 <u>Estimate</u>	FY 1999 <u>Estimate</u>
<u>Active Military End Strength (Total)</u>	21,860	21,396	21,305
Officers	719	702	698
Enlisted	21,141	20,694	20,607
<u>Active Military Average Strength (Total)</u>	22,365	21,772	21,506
Officers	738	722	710
Enlisted	21,627	21,050	20,796
SECURITY & INVESTIGATIVE MATTERS:			
	FY 1997 <u>Actual</u>	FY 1998 <u>Estimate</u>	FY 1999 <u>Estimate</u>
<u>Active Military End Strength (Total)</u>	723	719	693
Officers	230	227	218
Enlisted	493	492	475
<u>Active Military Average Strength (Total)</u>	740	733	701
Officers	236	233	222
Enlisted	504	500	479